

# JOINT BUDGET COMMITTEE



## STAFF FIGURE SETTING FY 2018-19

### DEPARTMENT OF HUMAN SERVICES (Office of Early Childhood)

JBC WORKING DOCUMENT - SUBJECT TO CHANGE  
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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## HOW TO USE THIS DOCUMENT

The Department Overview contains a table summarizing the staff recommended incremental changes followed by brief explanations of each incremental change. A similar overview table is provided for each division, but the description of incremental changes is not repeated, since it is available under the Department Overview. More details about the incremental changes are provided in the sections following the Department Overview and the division summary tables.

Decision items, both department-requested items and staff-initiated items, are discussed either in the Decision Items Affecting Multiple Divisions or at the beginning of the most relevant division. Within a section, decision items are listed in the requested priority order, if applicable.

Certain programs within the Department of Human Services (DHS) receive funding through the Medicaid program. The federal Medicaid funds that support DHS programs and any state matching funds are first appropriated to the Department of Health Care Policy and Financing (HCPF) and subsequently reappropriated to DHS for various programs. Within the HCPF budget, these funds are reflected in the section entitled: Department of Human Services Medicaid-Funded Programs (Section 7). The final section of this narrative includes staff recommendations for line items in this Section that relate to the programs outlined in this document.

## DEPARTMENT OVERVIEW

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the State. It supervises programs that are administered at the local level by counties and other agencies and directly operates mental health institutes, regional centers for people with developmental disabilities, and institutions for juvenile delinquents. This presentation focuses on the Office of Early Childhood within the Department.

The Office of Early Childhood includes the Division of Early Care and Learning and the Division of Community and Family Support. The Division of Early Care and Learning includes funding associated with the State supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP). Through CCCAP, counties provide childcare subsidies to low income families and families transitioning from the Colorado Works Program. In addition, this division is responsible for licensing and monitoring child care facilities and for administering programs that are designed to improve the quality and availability of child care in the State. The Division of Community and Family Support includes funding for various early childhood family support programs such as Early Intervention Services, Early Childhood Mental Health Specialists, and the Nurse Home Visitor Program.

Certain programs within the Department of Human Services (DHS) receive funding through the Medicaid program. The federal Medicaid funds that support DHS programs and any state matching funds are first appropriated to the Department of Health Care Policy and Financing and subsequently reappropriated to DHS for various programs. Within the Department of Health Care Policy and Financing's budget, these funds are reflected in the section entitled: Department of Human Services Medicaid-Funded Programs (Division 7). The final section of this narrative includes staff recommendations for the line items in the Department of Health Care Policy and Financing, Department of Human Services Medicaid-Funded Programs section that relate to the programs covered in this document. The following programs/divisions in this document receive Medicaid Funds:

- Office of Early Childhood, Division of Community and Family Supports, Early Intervention Services Case Management

## SUMMARY OF STAFF RECOMMENDATIONS

OFFICE OF EARLY CHILDHOOD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2017-18 Appropriation</b>						
SB 17-254 (Long Bill)	\$220,436,325	\$71,298,895	\$50,369,615	\$6,696,282	\$92,071,533	88.8
HB 18-1162 (Supplemental)	10,929,083	5,100,956	(230,624)	477,121	5,581,630	1.0
<b>TOTAL</b>	<b>\$231,365,408</b>	<b>\$76,399,851</b>	<b>\$50,138,991</b>	<b>\$7,173,403</b>	<b>\$97,653,163</b>	<b>89.8</b>
<b>FY 2018-19 RECOMMENDED APPROPRIATION</b>						
FY 2017-18 Appropriation	\$231,365,408	\$76,399,851	\$50,138,991	\$7,173,403	\$97,653,163	89.8
R17 Expansion of evidence based Incredible Years Program	601,545	120,309	481,236	0	0	1.1
R22 Reduce micro grants	(250,000)	0	0	0	(250,000)	0.0
R23 HIPAA security remediation	(4,879)	0	(2,155)	(2,685)	(39)	0.0
R24 Provider rate increase	1,555,395	556,089	231,041	66,554	701,711	0.0

OFFICE OF EARLY CHILDHOOD						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
BA2 Early intervention caseload increase	3,728,065	3,000,000	0	728,065	0	0.0
BA3 Mitigation of CCCAP waitlist	12,250,000	4,000,000	0	0	8,250,000	0.0
BA5 Community response expansion	120,000	120,000	0	0	0	0.0
BA6 Early childhood workforce supports	500,000	500,000	0	0	0	0.0
BA15 Child Care Development Funds transfer	(150,500)	0	0	0	(150,500)	0.0
Staff initiated transfer of part c child find	2,700,000	2,500,000	0	0	200,000	0.0
Staff initiated funding true-up	(2,162,291)	0	(2,905,026)	0	742,735	0.0
Staff initiated changes based on fund balances	(1,270,991)	(70,991)	(1,200,000)	0	0	(1.0)
Tobacco master settlement adjustment	756,062	0	756,062	0	0	0.0
Annualize prior year budget actions	311,435	197,185	20,751	(128)	93,627	0.0
Annualize HB 18-1162 (supplemental bill)	250,000	0	0	0	250,000	0.0
Non-prioritized request items	70,608	0	31,189	565	38,854	0.0
Centrally appropriated line items	2,780	0	1,228	22	1,530	0.0
<b>TOTAL</b>	<b>\$250,372,637</b>	<b>\$87,322,443</b>	<b>\$47,553,317</b>	<b>\$7,965,796</b>	<b>\$107,531,081</b>	<b>89.9</b>
<b>INCREASE/(DECREASE)</b>	<b>\$19,007,229</b>	<b>\$10,922,592</b>	<b>(\$2,585,674)</b>	<b>\$792,393</b>	<b>\$9,877,918</b>	<b>0.1</b>
Percentage Change	8.2%	14.3%	(5.2%)	11.0%	10.1%	0.1%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$238,622,788</b>	<b>\$76,928,669</b>	<b>\$54,276,281</b>	<b>\$7,488,675</b>	<b>\$99,929,163</b>	<b>89.9</b>
Request Above/(Below) Recommendation	(\$11,749,849)	(\$10,393,774)	\$6,722,964	(\$477,121)	(\$7,601,918)	0.0

\*Greyed out decision items will be discussed during figure setting for other Divisions.

## DESCRIPTION OF INCREMENTAL CHANGES

**R17 EXPANSION OF EVIDENCE BASED INCREDIBLE YEARS PROGRAM:** The recommendation includes \$601,545 total funds, including \$120,309 General fund and \$481,236 Marijuana Tax Cash Funds for the expansion of the incredible years program.

**R22 REDUCE MICRO GRANTS TO INCREASE ACCESS TO CHILD CARE:** The recommendation includes a decrease of \$250,000 federal funds and elimination of this line item due to a lack of use in this program.

**BA2 EARLY INTERVENTION CASELOAD INCREASE:** The recommendation includes an increase of \$3,728,065 total funds, including \$3,000,000 General Fund for early intervention caseload increase.

**BA3 MITIGATION OF CCCAP WAITLISTS:** The recommendation includes an increase of \$12,250,000 total funds, including \$4,000,000 General fund and \$8,250,000 federal funds for the Colorado Child Care Assistance Program.

**BA5 COLORADO COMMUNITY RESPONSE EXPANSION:** The recommendation includes an increase of \$120,000 General Fund for expansion of the community response program.

**BA6 SUPPORT COLORADO'S EARLY CHILDHOOD WORKFORCE:** The recommendation includes \$500,000 General Fund for early childhood workforce program.

**STAFF INITIATED TRANSFER OF PART C CHILD FIND:** The recommendation includes \$2,700,000 total funds, including \$2,500,000 General Fund for the transfer of part c child find from the Department of Education to the Department of Humans Services.

**STAFF INITIATED FUNDING TRUE-UP:** The recommendation includes a decrease of \$2,162,291 total funds to accurately reflect the amounts of cash funds and federal funds in the division.

**STAFF INITIATED CHANGES BASED ON FUND BALANCES:** The recommendation includes a decrease of \$1,270,991 total funds, including \$70,991 General Fund for the Colorado Child Care Cliff Effect Program.

**TOBACCO MASTER SETTLEMENT ADJUSTMENT:** The recommendation includes an increase of \$756,062 cash funds as part of the statutory allocation of the tobacco master settlement.

**ANNUALIZE PRIOR YEAR BUDGET ACTIONS:** The recommendation includes an increase of \$311,435 total funds, including \$197,185 General Fund for the following items:

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize healthy steps for young children	\$150,586	\$150,586	\$0	\$0	\$0	0.0
Annualize prior year salary survey	119,039	31,403	18,341	0	69,295	0.0
Annualize merit base pay	57,702	15,196	9,429	0	33,077	0.0
Indirect cost assessment adjustment	(15,892)	0	(7,019)	(128)	(8,745)	0.0
<b>TOTAL</b>	<b>\$311,435</b>	<b>\$197,185</b>	<b>\$20,751</b>	<b>(\$128)</b>	<b>\$93,627</b>	<b>0.0</b>

**NON-PRIORITIZED REQUEST ITEMS:** The recommendation includes an increase of \$70,608 total funds for non-prioritized items, which are highlighted in the chart below.

NON-PRIORITIZED REQUEST ITEMS*						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP BA Property Fund	\$32,555	\$0	\$14,380	\$261	\$17,914	0.0
NP2 Operating System Suite	28,070	0	12,399	225	15,446	0.0
NP6 Annual fleet vehicle request	8,255	0	3,646	66	4,543	0.0
NP4 Cybersecurity liability insurance policy	1,728	0	764	13	951	0.0
<b>TOTAL</b>	<b>\$70,608</b>	<b>0</b>	<b>\$31,189</b>	<b>\$565</b>	<b>\$38,854</b>	<b>0.0</b>

\*These items are pending future action by the Joint Budget Committee during staff figure setting presentations for other state agencies. The dollar amounts shown in the table represent the requested appropriations

**CENTRALLY APPROPRIATED LINE ITEMS:** The recommendation includes an increase of \$2,780 total funds for centrally appropriated line items for the following: state contributions for health, life, and dental benefits; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; workers' compensation; legal services; administrative law judges; and payment to risk management and property funds.

## PRIMARY DIFFERENCES FROM THE REQUEST

The difference between the JBC staff recommendation and the Department request is discussed in each decision item listed below. The major differences can be found in BA2 Early Intervention caseload increase and BA3 Mitigation of CCCAP waitlists.

## (1) EXECUTIVE DIRECTOR'S OFFICE (1 LINE ITEM ONLY)

This figure setting document contains staff recommendations for one line item within the Executive Director's Office. The line item is for records and reports of child abuse or neglect. The other line items in this division will be addressed in a separate staff figure setting presentation for the EDO.

### DECISION ITEMS – (1) EXECUTIVE DIRECTOR'S OFFICE (1 LINE ITEM ONLY)

The Department did not submit any decision items for this line item.

### LINE ITEM DETAIL – EXECUTIVE DIRECTOR'S OFFICE

#### **(B) Special Purpose**

##### RECORDS AND REPORTS OF CHILD ABUSE OR NEGLECT

This line item provides funding for the Department to maintain records of abuse and neglect and to perform related functions. The Department of Human Services uses records and reports of child abuse or neglect for the purpose of conducting background screening checks (generally requested by employers and agencies to screen potential child care employees, child care facility license applicants, and prospective adoptive parents). Fees paid for screening checks are used to cover the direct and indirect costs of performing background checks and administering provisions related to the appeals process and the release of information contained in records and reports. Functions related to records and reports of abuse and neglect are currently performed as follows:

- County departments of social services enter confirmed reports of child abuse or neglect in the Department's automated system (Colorado Trails) within 60 days of receiving the complaint.
- County departments of social services provide notice to a person responsible in a confirmed report of child abuse or neglect of the person's right to appeal the county department's finding to the state Department within 90 days.
- Such a person may request: 1) a paper review of the county's confirmed report and record by the Department of Personnel and Administration, Division of Administrative Hearings; or 2) a fair hearing (either by telephone or in person) by the Division of Administrative Hearings before an administrative law judge, at which the state Department would bear the burden of proof. The notice includes information as to how the individual can access the county department's dispute resolution process.
- The state Department's Office of Appeals issues final agency decisions upon review of an administrative law judge's final decision. The final agency decision continues to advise the individual who filed the appeal of his/her right to seek judicial review in the state district court.

*STATUTORY AUTHORITY:* Sections 19-1-307 (2.5) and 19-3-315.5, C.R.S

*REQUEST:* The Department requests \$631,807 cash funds and 7.5 FTE.



**RECOMMENDATION: Staff recommends an appropriation of \$631,807 cash funds from the Records and Reports Fund and 7.5 FTE.**

EXECUTIVE DIRECTOR'S OFFICE, SPECIAL PURPOSE, RECORDS AND REPORTS OF CHILD ABUSE OR NEGLECT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$621,053	\$0	\$621,053	\$0	\$0	7.5
<b>TOTAL</b>	<b>\$621,053</b>	<b>\$0</b>	<b>\$621,053</b>	<b>\$0</b>	<b>\$0</b>	<b>7.5</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$621,053	\$0	\$621,053	\$0	\$0	7.5
Annualize prior year budget actions	10,754	0	10,754	0	0	0.0
<b>TOTAL</b>	<b>\$631,807</b>	<b>\$0</b>	<b>\$631,807</b>	<b>\$0</b>	<b>\$0</b>	<b>7.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$10,754</b>	<b>\$0</b>	<b>\$10,754</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	1.7%	n/a	1.7%	n/a	n/a	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$631,807</b>	<b>\$0</b>	<b>\$631,807</b>	<b>\$0</b>	<b>\$0</b>	<b>7.5</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (6) OFFICE OF EARLY CHILDHOOD

The Office of Early Childhood includes the Division of Early Care and Learning and the Division of Community and Family Support. The Division of Early Care and Learning includes funding associated with the State supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP). Through CCCAP, counties provide childcare subsidies to low income families and families transitioning from the Colorado Works Program. In addition, this division is responsible for licensing and monitoring child care facilities and for administering programs that are designed to improve the quality and availability of child care in the State. The Division of Community and Family Support includes funding for various early childhood family support programs such as Early Intervention Services, Early Childhood Mental Health Specialists, and the Nurse Home Visitor Program.

### DIVISION OF COMMUNITY AND FAMILY SUPPORT

The Division of Community and Family Support includes Early Childhood Councils, Early Intervention Services, Promoting Safe and Stable Families, the Children's Trust Fund, Family Resource Centers, Nurse Home Visitor Program, and Early Childhood Mental Health Services.

## DECISION ITEMS – (6) OFFICE OF EARLY CHILDHOOD

### → R17 EXPANSION OF EVIDENCE BASED INCREDIBLE YEARS PROGRAM

*REQUEST:* The Department requests \$624,612 Marijuana Tax Cash Funds and 1.1 FTE for FY 2018-19 and \$843,867 Marijuana Tax Cash Funds and 1.1 in FY 2019-20 and beyond.

*RECOMMENDATION:* **Staff recommends \$601.545 total funds, including \$120,309 General Fund, \$481,236 cash funds from the Marijuana Tax Cash Fund, and 1.1 FTE for FY 2018-19, which annualizes to \$843,867 total funds and 1.1 FTE in FY 2019-20 and beyond.** As an alternative, the Committee may run a bill to add this program as an allowable use for the Marijuana Tax Cash Fund and fund the program through that cash fund.

The main difference between the Department request and Staff recommendation is centrally appropriated costs. These costs are not appropriated in the first year of new FTE, which is reflected in Staff's recommendation.

Two-generational programs are designed to provide services to both the child and the person parenting the child. The over-arching concept of these programs are simultaneously improving both generations at one time. This manner of support is intended to provide reinforcement from parent to child and child to parent. For example, both parent and child could be working on classwork at home together. The aspect of working on their individual classwork with each other reinforces and motives both to keep working.

The IY program offers three sub-programs, the Teacher Classroom Management, Dinosaur School, and The Preschool Basic Parenting Program (Parent Program). These programs can be offered as a package or individually.

During the review of the program, Staff came across concerns on the funding source. This concern revolves around the use of the Marijuana Tax Cash Fund (MTCF) for the program. It is not entirely clear that the program fits under the prioritized uses of MTCF according to statute. It is possible the program might fit under MTCF statutes that deal with public health. If the Joint Budget Committee decides to fund this item, but feels that it does not fit under the MTCF statute, changes could be made to add this program as an allowable item, or other funding sources could be considered.

IY is a set of training programs that simultaneously train parents, teachers and children in social-emotional functioning skills and life/parenting skills. It is designed to decrease stress, increase competence, improve social capital, and promote skills development. The program contains both a prevention and intervention component, with the focus being on prevention. The goals of program are to:

- Improve parent-child relations;
- Improve parental functioning;
- Improve student-teacher relations;
- Prevent the early onset of conduct behaviors and emotional problems; and
- Promote emotional regulation and academic readiness among children.

The IY program in the state of Colorado is currently implemented by Invest in Kids, which is a non-profit entity. The program is offered in Adams County, Alamosa County, Arapahoe County, Archuleta County, Boulder County, Denver County, Eagle County, El Paso County, Grand County, La Plata County, Logan County, Mesa County, and Moffat County.

The research presented in the request claims that the Parent Training component and the combined Parent and Child Training components can effectively:

- Reduce disruptive behavior symptoms;
- Reduce attention deficit hyperactivity disorder symptoms;
- Reduce internalizing symptoms;
- Reduce major depressive disorder; and
- Reduce parental stress.

As compared to higher income peers, lower income peers rarely have access to the same supports, particularly those with a focus on the development of social-emotional skills like emotion regulation, pro-social communications, and problem solving. IY's delivery system is universal access to all children enrolled in a childcare setting, to teachers, and to interested parents. This is done without regard to pre-existing conditions or diagnosis. The Department seeks to expand the IY program to serve more families in Colorado. According to the request:

“Exposure to poverty, a stressful home environment, and early delays in behavioral and academic skills at a young age are strong predictors of later academic challenges, health issues, behavior problems, substance abuse, lower education attainment, lower rates of employment, a younger age of becoming a parent, and the likelihood of recreating these risk factors for their own children.”<sup>1</sup>

<sup>1</sup> Department of Human Services Request 17 – Incredible Years Expansion

The Department states that IY is aligned with the five protective factors of the Strengthening Families approach. The program is intended to address the Colorado Early Childhood Framework in the areas of early learning; family support and parent education; and social-emotional and mental health. The IY program is designed to align with three framework domains – Family Support and Education, Health and Well-Being, and Learning and Development. IY can be offered as a set of three sub-programs or as individual sub programs. The three sub-programs are:

- Teacher Classroom Management (TCM) - a framework through which teachers and paraprofessionals learn positive teaching strategies (focusing on what children are doing well), how to connect to children with challenging behaviors, and how to help those children control their behaviors.
- Dinosaur School - a curriculum that includes 60 lessons delivered 2-3 times per week in Pre-K and kindergarten classrooms. Trained teachers co-lead the lessons using life-size puppets, engaging activities, games, and video vignettes. The lessons focus on how to solve problems, control one's anger, self-monitor emotions, succeed in school, and make friends.
- The Preschool Basic Parenting Program (Parent Program) – a subprogram that is delivered by trained co-leaders over 14 weekly group meetings. Parents learn strategies and skills to promote children's social competence and reduce behavior problems such as: effective praise and use of incentives, establishing predictable routines, effective limit-setting, strategies to manage misbehavior and teaching children to problem solve.

Table 3, Summary of Expenses, provides the expenses broken down by the first year and ongoing years. The costs are further broken down by implementation costs, data analysis costs, and FTE costs. The total first year costs are \$624,612, which annualizes to \$843,867.

Table 3: Summary of Expenses		
<u>Item</u>	<u>Year 1 (FY 2018-19)</u>	<u>Year 2 (FY 2019-20 and ongoing)</u>
IY		
Implementation*	\$440,170	\$664,128
Data Analysis	\$50,000	\$50,000
FTE and associated costs	\$134,442	\$129,739
<b>Total Request</b>	<b>\$624,612</b>	<b>\$843,867</b>

#### *Colorado IY Data*

The following data was derived from the Colorado version of the IY program (Colorado IY). The Colorado IY program has some differences with regard to implementation as compared to the national program. While the IY program can be acquired from the originating source, the Colorado IY program offers implementation fidelity through training and support for the program. While this change seems small, it can have an oversized effect on the success of the program. The results from the TCM program (Statewide TCM TSQ Outcomes table below) show statistically significant increases in confidence, positive management strategies, incentives, social-emotional learning support, and changes to inappropriate discipline.

Statewide TCM TSQ Outcomes									
TSQ Scale	Description	Score	Average Pre-Test Score - Frequency	Average Post-Test Score - Frequency	Percent Increase	Matched Average Pre-Test Score - Frequency	Matched Average Post-Test Score - Frequency	Matched Percent Increase	P-value for matched test
Confidence	Teacher confidence in managing students' current and future behavior and promoting their social-emotional skills	1-7, 7 best	5.33	6.00	12.6%	5.03	5.95	18.3%	p = .000
Positive Management Strategies	How often teachers use strategies like praise, transition warnings, and clear directions and give parents positive feedback about students' successes	1-5, 5 best	3.54	3.75	5.9%	3.61	3.77	4.4%	p = .01
Incentives	How often teachers use incentives like stickers, prizes, or special privileges with individual students or groups	1-5, 5 best	3.27	3.81	16.5%	3.31	3.80	14.8%	p = .00
Social-Emotional Learning Support	How often teachers "coach" students to label feelings, calm down, persist when frustrated, and solve problems	1-5, 5 best	3.84	4.12	7.3%	3.90	4.13	5.9%	p = .004
Inappropriate Discipline	How often a teacher calls a student out for negative behaviors, sends students out of the classroom, and gives parents notes about bad behavior	1-5, 5 best	1.52	1.61	5.9%	1.53	1.63	6.5%	p = .05

The *Paired Samples Statistics* table below looks at five paired samples for pre and post results of the Colorado IY program in the areas of Prosocial Communication Subscale; Emotion Regulation Subscale; Academic Skills Subscale; Prosocial Communication and Emotion Regulation combined Subscale; and the mean score across all 25 SCS-T items and all 3 subscales.

Paired Samples Statistics						
Pair	Item	Mean	Percent Change	N	Std. Deviation	Std. Error Mean
Pair 1	PreSCST_ProCom	3.09		706.0	0.89	0.03
	PostSCST_ProCom	3.75	21.2%	706.0	0.86	0.03
Pair 2	PreSCST_ER	3.11		706.0	0.88	0.03
	PostSCST_ER	3.73	20.1%	706.0	0.88	0.03
Pair 3	PreSCST_AS	3.22		706.0	0.88	0.03
	PostSCST_AS	3.85	19.6%	706.0	0.86	0.03
Pair 4	PrePCandER	3.10		706.0	0.87	0.03
	PostPCandER	3.74	20.6%	706.0	0.86	0.03
Pair 5	PreSCST_Total	3.13		706.0	0.86	0.03
	PostSCST_Total	3.77	20.3%	706.0	0.85	0.03
Guide: Pre = Pre-test; Post = Post-test; ProCom = SCS-T Prosocial Communication Subscale; ER = SCS-T Emotion Regulation Subscale; AS = SCS-T Academic Skills Subscale; PC and ER = Prosocial Communication and Emotion Regulation combined Subscale; SCST Total = Mean score across all 25 SCS-T items and all 3 subscales						

The results of this analysis leads to the recommendation to fund this program. This will result in the expansion of the program to more areas of the state.

#### *Relevant Statutory Excerpts*

The following are relevant statues for the committee to consider with regard to the Marijuana Tax Cash Fund. Staff has added emphasis to the specific portions that may apply to this program. The first statute that applies is Section 39-28.8-501 (2)(b)(I) through (III), C.R.S. – Legislative declaration concerning legislative authority to appropriate marijuana tax revenue, which states:

“(I) The general assembly hereby finds and declares that the retail marijuana excise tax and sales tax created a new revenue stream for the state, and the basis of these taxes is the legalization of marijuana, which presents unique issues and challenges for the state and local governments. Thus, there is a need to use some of the sales tax revenue for marijuana-related purposes. But, as this is revenue from a tax, the general assembly may appropriate this money for any purpose.

(II) The general assembly further declares that the new retail marijuana tax revenue presents an opportunity to invest in services, support, intervention, and treatment related to marijuana and other drugs.

***(III) Therefore, the purposes identified in this subsection (2) prioritize appropriations related to legalized marijuana, such as drug use prevention and treatment, protecting the state's youth, and ensuring the public peace, health, and safety.” (emphasis added)***

The next statue that applies to MTCF is Section 39-28.8-501 (2)(b)(IV), C.R.S. – List of purposes for which the Marijuana Tax Cash Fund may be appropriated. This statutory provision limits the timing, amount, and allowable uses of money in the MTCF.

“(IV) Subject to the limitation in subsection (5) of this section [which requires an annual reserve to be maintained within the MTCF], ***the general assembly may annually appropriate any money in the fund (emphasis added)*** for the fiscal year following the fiscal year in which it was received by the state ***for the following purposes: (emphasis added)***

- (A) To educate people about marijuana to prevent its illegal use or legal abuse;
- (B) ***To provide services for adolescents and school-aged children in school settings or through community-based organizations; (emphasis added)***
- (C) To treat and provide related services to people with any type of substance use or ***mental health disorder (emphasis added)***, including those with co-occurring disorders, or to evaluate the effectiveness and sufficiency of behavioral health services;
- (D) For jail-based and other behavioral health services for persons involved in or diverted from the criminal justice system;
- (E) For state regulatory enforcement, policy coordination, or litigation defense costs related to retail or medical marijuana;
- (F) For law enforcement and law enforcement training, including any expenses for the police officers standards and training board training or certification;
- (G) ***For the promotion of public health (emphasis added)***, including poison control, prescription drug take-back programs, the creation of a marijuana laboratory testing reference library, and other public health services related to controlled substances;
- (H) To study the use of marijuana and other drugs, their health effects, and other social impacts related to them;
- (I) To research, regulate, study, and test industrial hemp or hemp seeds;
- (J) For the start-up expenses of the division of financial services related to the regulation of marijuana financial services cooperatives;
- (K) For grants to local governments for documented retail marijuana impacts through the local government retail marijuana impact grant program;
- (L) For the Colorado veterans' service-to-career pilot program;
- (M) For the expenses of the department of education and the department of public health and environment in developing and maintaining a resource bank for educational material on marijuana and providing technical assistance; and
- (N) For housing, rental assistance, and supportive services, including reentry services.”

## → R22 REDUCE MICRO GRANTS TO INCREASE ACCESS TO CHILD CARE

**REQUEST:** The Department requests a decrease of \$250,000 federal funds for the micro grants to increase access to childcare.

**RECOMMENDATION:** Staff recommends a reduction of \$250,000 federal funds from the Child Care Development Fund and the elimination of the program.

This request is a Department initiated reduction of \$250,000 federal funds from the Child Care Development Fund (CCDF) in FY 2018-19 and beyond. The Department states that there has been a lack of participation the program.

The Department submitted a FY 2015-16 request for funding to create a micro grant program intended to increase access to licensed, quality childcare across the State. Childcare providers could apply for reimbursement for qualifying expenses related to obtaining their license. These expenses included equipment, access to training, and site capital improvements.

The Department modeled the program after similar initiatives in other states. The Department faced two main challenges in implementing and administering the program. The first challenge was trying to administer a statewide program within the available budget. The cost of administration consumed a significant portion of funding. The second challenge was the size of the grants. The program was designed to award grants between \$1,000 and \$5,000, but this amount was an insufficient incentive for prospective providers to launch a new business..

The pressure on the CCDF due to growth in other programs that use the fund makes this funding source scarce. As such, programs that don't meet the intended affect only serve to drain much needed resources. Staff agrees with the Department that these funds are better used in other programs. Staff recommends a decrease in federal funds and the elimination of this program.

#### → R24 DHS 1% PROVIDER RATE INCREASE

*REQUEST:* The Department requests a 1% provider rate increase. The division-wide requests is an increase of \$1,555,395 total funds, including \$556,089 General Fund, \$231,041 cash funds, \$66,554 reappropriated funds, and \$701,711 federal funds in FY 2018-19 and beyond for a 1.0% rate increase for contracted community provider services.

*RECOMMENDATION:* **This request is part of common policy decisions on provider rates and will be discussed during the provider rate common policy figure setting. Staff requests permission to adjust the line items that contain a provider rate based on the Committees decision on the provider rate increase.**

#### → BA2 EARLY INTERVENTION CASELOAD INCREASE

*REQUEST:* The Department requests \$4,484,565 total funds, including \$3,758,500 General Fund and \$728,065 federal funds for caseload growth in the early intervention program.

*RECOMMENDATION:* **Staff recommends \$3,728,065 total funds, of which \$3,000,000 in General Fund and \$728,065 is reappropriated funds. Of this amount, \$1,000,000 is allocated to FY 2016-17 to address expenditures that were not previously captured. Staff also recommends consolidating the Early Intervention Services and the Early Intervention Services Case Management line items for efficiency.**

The differences between the request and the recommendation mainly have to do with annualizations of prior year budget actions that was not part of the Department's budget request. These annualizations should take place to capture caseload growth and were approved during the supplemental process. The other difference is the allocation to FY 2016-17 for expenditures that were not previously captured. While the recommendation looks lower than the request, the



annualization of the supplemental combined with the new amount recommended in this decision item is greater than the budget request.

With regard to the line item consolidation, the separating of these line items provides no benefit to the budget process nor does it provide more transparency. On the contrary, the splitting of these line items creates additional work for the Department and CCBs when funds need to be transferred between line items to stay within federal guidelines. The consolidation will remove this extra work without sacrificing transparency and add efficiency to the program.

The Individuals with Disabilities Act (IDEA) requires early intervention services, and the identification of those services, to maintain eligibility for certain federal grants. The timely identification of infants and youths needing EI services is required by IDEA, as is the provision of those services.

EI services are provided to infants and toddlers who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability. These services are provided by 20 Community Centered Boards (CCB) throughout the state with an average monthly number of 8,200 individuals in Colorado that receive EI services. The program has experienced growth upwards of six percent per year over the past several fiscal years.

Part of early intervention is the identification of individuals needing services, which is done through a process called Child Find. CCBs will have to perform some of these identifications in partnership with local school districts for FY 2018-19 to help maintain the 45 day compliance timeline for the process. A staff initiated recommendation for adding a line item for child find and moving responsibility for the program is discussed in further detail in “Staff initiated transfer of Part C Child Find.” This new line would reduce the future need for appropriations from direct services line item for the child find program.

Of note: once the costs were completely calculated during the closing of FY 2016-17, it became apparent that the CCBs had spent more on the program than originally accounted for. While this was expected from the Department and the CCBs, the exact amount was unknown until recently. The total amount over-expended was \$1 million. This growth was never captured in the FY 2016-17 or FY 2017-18 supplemental process, nor was it captured during the FY 2017-18 budget process as the data was not available until after both processes were completed.

### ➔ BA3 MITIGATION OF CCCAP WAITLISTS

**REQUEST:** The Department requests an increase of \$10,422,447 total funds, including \$3,000,000 cash funds and \$7,422,447 federal funds for mitigation of CCCAP waitlists.

**RECOMMENDATION:** Staff recommends the committee run legislation changing the funding method for the program to a percentage-based model. This would be new legislation that is not currently on the proposed legislation list. Staff also recommends that the Committee appropriate \$12,250,000 total funds for the CCCAP program. This recommendation includes

**\$4.0 million General Fund, \$1.5 million cash funds/county match, \$1.5 million TANF reserve, and \$6.75 million Child Care Development Funds (CCDF). Staff recommends adding a new line item titled “Intrastate CCCAP Redistribution” and appropriating \$2,000,000 federal funds from the Child Care Development Funds to that line item. Finally, Staff recommends adding \$20,000 federal funds to the Colorado Child Care Assistance Program Market Rate Study line item to increase the rate of the market study.** (of note: the county match does not appear in the table or total fund numbers as those funds have already been appropriated).

A shift has taken place on a national level that has broadened the focus and priorities of child care. Once viewed solely as a work support for adults, child care is now considered an opportunity to foster school readiness and early learning in young children. Federal and state governments have instituted recent legislative changes that reflect this shift. On the federal level, the 2014 reauthorization of the federal Child Care and Development Fund (CCDF) [a funding source for Colorado Child Care Assistance Program (CCCAP)], sought to transform child care across the country into a two-generation system.

In Colorado, House Bill 14-1317 made similar changes to CCCAP that resulted in more family-friendly policies meant to support quality childcare. These changes to CCCAP resulted in increasing the affordability of child care, easing burdens for working parents, and cutting red tape for small business child care providers. It also established tiered reimbursement so that providers can afford the costs of providing higher quality care and reduced copays, which incentivizes parents to enroll their children in the best learning environments.

To help ensure children across the State are in high-quality care, the Department launched Colorado Shines, a quality rating and improvement system that rates childcare facilities on a scale of Level 1 to Level 5, with Level 5 representing the highest quality care. HB 14-1317 established a system of tiered reimbursement in which childcare providers now receive a higher daily reimbursement rate for facilities rated at Levels 3-5. As quality goes up, counties will either need more money in order to serve the current number of children, will have to reduce the number of children served, or reduce the amount of care provided.

On the federal level, the 2014 reauthorization of CCDF instituted four goals:

1. Support equal access to stable, high-quality child care for low-income children;
2. Enhance the quality of child care and better support the workforce;
3. Protect the health and safety of children in child care; and
4. Help parents make informed consumer choices and gain access to information to support child development.

Adding to cost is the federal and state rule changes that requires 12-month eligibility, which results in families staying on the program longer than traditionally experienced. Historically, families experiencing a change in their eligible activity would be required to immediately report it to the county even if it would result in ineligibility. New federal and state requirements allow for families to stay on the program until their next redetermination, allowing them to slowly transition out of the program.

Although HB 14-1317 and the CCDF federal reauthorization have resulted in positive changes to childcare in Colorado, they have generated challenges in the administration of CCCAP. Unfortunately, Colorado cannot afford to provide services to all children currently served by CCCAP at a high-quality facility. As a state, 25% of children receiving CCCAP subsidies were served by a provider that fell within the 75<sup>th</sup> percentile rate structure. Therefore, most children served by CCCAP are not afforded “equal access” as defined by federal guidance. As the State attempts to close this gap, the cost of providing care to those already served by CCCAP will increase.

#### *Concerns with request*

Staff has multiple concerns with the request including: using waitlists as a factor for funding, the funding allocation, the ability for counties to use internal “levers” that affect eligibility and state funding, and the ultimate position this request puts the General Assembly in for future fiscal years.

A major problem is using waitlists as a determination of need. Waitlists are an extremely poor measure that fails to accurately predict the actual need in the state and the geographic location of the need. Furthermore, waitlists are highly susceptible to manipulation by the counties. Waitlists can easily be created by simply changing the federal poverty level (FPL). A county can move the FPL on eligibility for CCCAP from 185 percent to 225 percent and essentially create a waitlist overnight. In addition, the accuracy of waitlists are highly questionable, as individuals who have been on the list for a lengthy period have likely found another option. Using waitlists for budgetary purposes allows for manipulation of the system and misinforms the legislature of the scale of the problem at the expense of other counties, the state, and taxpayers.

The allocation of the funding is another large concern with this request. This request treats counties differently based on the ability to manipulate the system. Many counties have used other funding sources and reserves to prevent waitlists. The request essentially punishes those counties for doing so by reducing the amount they would receive through this request. The approval of the Department’s request sends a message to counties that they can create waitlists and over spend the allocation with the knowledge that they will be backfilled with state funds. This will lead to larger requests for funding in the future without accountability.

#### *Problems with the current system*

Multiple issues affect the current funding mechanism for the CCCAP program. Waitlists are a major component creating problems with budgeting for the program. Currently, counties can create waitlists on demand by simply changing the eligibility through the federal poverty level. This manipulates the system and drives funding in a manner that is not equitable nor realistic. Waitlists are arbitrary and are not a good measure for budgetary purposes (however, they do have a part to play with regard to program operation). Furthermore, waitlists tend to confuse the issue because funding of the waitlist does not fund the need.

Another issue with the current funding system is the lack of ability to capture the cost of quality. House bill 14-1317 changed the CCCAP program and added a quality component. The costs to the program for the increased quality is hard to determine and discuss.

Finally, the current system of funding does not treat the counties equitably and makes budgetary planning for the program difficult.

#### *Recommended changes*

Staff recommends the committee run legislation changing the funding method for the program to a percentage-based model. This would be new legislation that is not currently on the proposed legislation list. This model would use the general population as a comparison group to the CCCAP program. The first recommendation from staff is using a more stable funding method that is less susceptible to manipulation. A far better method of measuring the need for this program is to compare the percentage of use by total population verses the CCCAP population. The difference between the CCCAP participation rate and the general population rate would make a good predictor of the unmet need in the program. This would also allow for an apple-to-apple comparison between counties that would provide a level funding field without the ability to manipulate the system.

The first step is to look at the factors of cost. The costs of the program can be calculated by taking the number of individuals served multiplied by the amount of time they are served, multiplied by the per unit cost.

$$(\text{Number of individuals}) \times (\text{Amount of time service is provided}) \times (\text{unit cost}) = \text{Total Cost}$$

The next step is to define the universe. Establishing the universe of those eligible and the general population is necessary to obtain the percentages used in the model. The numbers for this model are derived from U.S. Census data and included the estimated population of children eligible for childcare subsidies, the number of children currently served by the CCCAP program, and the childcare arrangements for the general population. Establishing a standard FPL of 185% (discussed below) creates a universe where parity between the two groups would mean serving approximately 43,299 children in CCCAP (this equates to approximately 31.1% participation in the program with 185% FPL as the universe). Currently, 30,328 children are served in CCCAP (this equates to 21.8% participation at 185% FPL) meaning that approximately 12,971 children would need to be served to reach parity in serving the most needy. In percentage terms, parity would mean serving an additional 9.3% at a cost of \$4.45 million per percent, which is the current cost per percentage point. This breaks out to \$41.4 total cost for the full 9.3%.

While this would not take care of all the need in the program, it would cover the most needy individuals in the state and allow for further discussions on how many more individuals should be served within the program.

Finally, the market rate is established. This is done through a market rate study that determines the cost for childcare at the county level. The rates produced by this study are used in the allocation formula for funding CCCAP.

In this new model, funding would be based on population percentage and market rate. The funding formula would be laid out in statute in a manner that is broad enough to allow flexibility when needed and narrow enough to prevent abuse. Exemptions would be available for cost of living, cost of quality, quality rates, regional rates, and drastic economic changes. These exemptions would be at the Department level and would apply to any county meeting the criteria.

To achieve parity across counties, opt-outs of market rates and eligible activities would not be permitted. This means that the independently researched market rate for each county would be the payment rate and that eligibility would be more consistently determined. This allows the funding model to allocate funds to counties in an equitable manner.

Another component of the funding is a Request For Information (RFI) to look at the yearly increases for quality and inflation. The RFI would be due in January and would discuss the increase based in percentage terms. This unit would be the same percentage model discussed above. For example, assume a percentage point currently costs \$4.4 million. Next year, if that cost rose to \$5 million, then the cost of inflation, increased quality, and changes to continuity over the previous year would be \$600,000 per percentage point. This information allows for a discussion on the increasing costs of childcare in the state.

As part of this new model, a CCCAP fund reserve would be established for two purposes. The first purpose is to allow for funding adjustments to counties during the transition between the current model and the new model. The second purpose is to address intra-state portability. Starting in FY 2018-19, if an individual is eligible for CCCAP in a county and moves to a new county where that individual would not be eligible, the services must be continued through redetermination. This fund would cover the additional costs the new counties would incur through this portability. A new line item would be created for this and is contained in the line item detail section below.

The next recommendation is to add \$20,000 to the marker rate study to capture the ongoing costs of quality and inflation in the process. Capturing this cost on an annual basis allows for discussion on the quality components of the program. The Department is required by both state and federal regulations to conduct a market rate study (MRS) of childcare rates within the state every other year. The most recent MRS, released in 2015, reflected significantly higher rates than had been reported in the 2013 study. Furthermore, federal guidance has generally been that rates at the 75th percentile of the market could be considered a proxy for equal access for those receiving subsidy. The two-year gap between market rate studies creates an issue in determine the accurate cost of quality, inflation, and economic changes.

The final recommendation is for the state to set a standard eligibility level of 185%, with flexibility for the Department to adjust this level on a statewide basis through rule. This would provide stability for planning purposes for the state and the counties. This would also allow the state to set funding goals for the program that would be measurable and reliable.

These changes would help better inform the conversation on how to fund the program. Because of local control, and the ability to run the program differently by county, it has been difficult to have tangible discussions on the program. Reorienting how the program is discussed and funded provides for an environment where the funds are directed to the areas and families with the greatest needs. It also allows for direct discussion on what the appropriate funding levels should be and the goals the General Assembly has for funding the program. Without these changes, it will continue to be difficult to make funding decision that have the intended impact of the legislature.

## → BA5 COLORADO COMMUNITY RESPONSE EXPANSION

**REQUEST:** The Department requests an increase of \$120,000 General Fund to expand the Colorado Community Response program.

**RECOMMENDATION:** Staff recommends a one-time increase of \$120,000 General Fund to determine if this program can achieve evidence-based status. Staff also recommends adding

**a footnote to this line that requires the pending grant funding to be realized before the new state funding can be spent.**

A question exists as to whether this program is effective in terms of the intervention having a positive effect on the outcomes. The statistical significance and magnitude of some of the outcomes is uncertain at this time. This can be attributed to many factors, chief among them a lack of implementation fidelity early in the program. The evaluations occurred in this period, which is why the uncertainty exists. This affected the outcomes of the program early on and made it difficult to ascertain the true effect of the program. The Department realized this and made multiple course corrections to address the problems. The Department was able to gain lessons learned knowledge through this process.

Staff spoke with the researcher who ran the evaluations as part of this process. This was done to discuss the trends, outcomes, power analysis, and potential for success. This conversation, along with the lessons learned by the Department, led to the Staff recommendation that establishing evidence-based and effectiveness of the program is worth the one-time investment.

The following are the lessons learned by the Department for the Colorado Community Response (CCR) program. The Office of Early Childhood (OEC) has worked to incorporate lessons learned to improve the efficiency, consistency and efficacy of program practice in CCR. Among the earliest lessons learned were the many challenges associated with implementing an outcome evaluation too early in the process of a new program. Chief among these was beginning to measure outcomes before program fidelity had been fully established.

OEC and its partners were able to engage in an evaluation that provided valuable information to improve programmatic practice. In addition to this evaluation, OEC has engaged in continuous quality improvement efforts, and established two C-Stat performance management measures to inform practice on an ongoing basis.

Learning from these efforts, OEC has actively refined the program in the following ways:

- 1 Implemented performance based contracts in FY 2016-17 to increase accountability and consistency in program practice:
  - a. Realigned budgets around the six core components of CCR (case management, goal setting, financial coaching, providing flexible funding to manage crises, resource referral, and building protective factors).
  - b. Set targets for outreach activities, face to face visits, completion of assessments, and data collection in response to learning from the process evaluation.
- 2 Implemented Salesforce data system for sites:
  - a. Expanded data systems to provide data for use in continuous quality improvement efforts. During the initial implementation, available data was limited to the evaluation.
  - b. Increased the amount of data collected (demographic, assessments, activities, and case notes) and the ease for OEC and the CCR sites to use program data to improve performance.

- i. This includes movement on protective factors, family functioning, goal achievement, financial health, substance use screening, use of flex funding referrals to community resources, and enrollment in public benefits.
- 3 Implemented a new staff orientation and training plan for CCR:
  - a. Program orientation includes training on the Strengthening Families Protective Factors Framework, how to conduct initial outreach to a family, safety for home visitors, and data collection protocol using the Salesforce data system.
  - b. Additional training is provided on motivational interviewing and certification in administering the Colorado Family Support Assessment.
  - c. New staff shadow seasoned staff and are matched with a mentor from another site for their first year.
  - d. Specific training on closing a CCR case and exit planning with a family has been added in response to findings in the process evaluation.
  - e. CCR staff participate in monthly peer learning calls and annual grantee meetings.
  - f. OEC has learned that it takes one full year for new sites to onboard staff and fully implement the CCR program to fidelity.
- 4 Implemented augmentation to referral process from county child welfare to CCR sites:
  - a. CCR sites provide annual training to county child welfare staff on the intent of the program, eligibility criteria, target populations, and CCR response to referrals. This requirement was added to ensure consistent practice as counties hired new staff.
  - b. Refined TRAILS referral process for CCR and eliminated paper referrals.
- 5 Implemented new training, tools, measures, and expectations around financial coaching because process evaluation revealed inconsistent practice:
  - a. Established partnership with the Financial Health Institute (FHI) in 2016 to add more structure and consistency to financial coaching. All sites have an annual subscription for their services as part of their CCR contract.
    - i. Includes training and monthly support for CCR staff, curricula to use with families, personalized coaching for families with more difficult issues, and pre/post assessments to show growth.
    - ii. Added a C-Stat measure on economic self-sufficiency. This looks at pre/post scores on a sub-scale of the Colorado Family Support Assessment. The domains of this sub-scale are related to specific FHI modules of the training and curricula so sites can identify what areas they need to work on improving.
- 6 Implemented new training, tools, and expectations around how to engage families in conversations about their substance use:
  - a. A C-Stat measure looks monthly at how many children, affiliated with a family who has completed CCR, are involved in a substantiated child welfare case at 6 months post program completion.
    - i. CCR is consistently above the goal of 96% of children whose family successfully completed CCR services.

- ii. One trend that emerged over time is that parental substance abuse is a leading cause related to those substantiations.
  - b. In response, OEC worked with Illuminate Colorado to develop a parental substance use conversation guide, training for professionals, and a handout for parents. The guide is designed to help professionals feel more confident in having difficult discussions around substance use, and provides tips on how to incorporate the topics of substance use and safe storage into the conversations they are already having with families. These materials were piloted in all CCR sites during 2017. Pilot feedback has been integrated into the tools and the final versions are being used in the CCR program and tracked in the data system.
- 7 Implemented new tools to increase parents' understanding of the program:
- a. To increase parent retention in the program, tools were developed to engage families and increase their understanding and expectations around the voluntary services that they could expect in the CCR program.
- 8 Realized savings in cost per family as sites moved further into program implementation and closer to site capacity:
- a. Initial cost per family was calculated at \$3,000 per family. It is currently calculated at \$2,500 per family based on site performance data in 2014-2016.
  - b. The savings allowed CCR to expand beyond the initial projection of 18 sites to 24 current sites, serving 34 counties. This increased the number of families served from a projected maximum of 900 families annually to the 1,569 families served in 2017-18. This large expansion allowed CCR to add two urban sites in 2017, resulting in representative participation from rural, suburban, and urban counties.

The overall goal of this request is to reach more families, which would allow for a more robust study to determine effectiveness of the program. The results of the analysis from the program and presented in the budget amendment left questions on the effectiveness of the program based on a statistical analysis. This led Staff to discuss this program with the evaluator of the program and review lessons learned. The combination of this led to Staff's recommendation.

As part of this request, the Department stated that it has applied for grant funding to achieve the additional families needed to be served in order to have an effective evaluation. Without the grant funds, the number of families served would not reach the threshold for an effective study. As such, Staff recommends adding a footnote to this line that requires the pending grant funding to be realized before the state funds can be spent.

## ➔ BA6 SUPPORT COLORADO'S EARLY CHILDHOOD WORKFORCE

*REQUEST:* The Department requests an increase of \$1,000,000 General Fund to continue a workforce program in the Office of Early Childhood that focuses on early childhood.



**RECOMMENDATION:** Staff recommends an appropriation of \$500,000 General Fund to continue a workforce program in the Office of Early Childhood that focuses on early childhood.

The Department is interested in offering scholarships to cover students' coursework to support the recruitment and retention of childcare professionals, particularly for the Early Childhood Teacher and Early Childhood Teacher Assistant positions. These scholarships could be offered through a number of channels, one of which is through the Foundation of Colorado Community Colleges.

The Foundation affords a statewide presence through the community college network and has the potential to lead to more dollars being raised, increased fundraising capacity, and greater awareness of the needs of the scholarship program. Colorado awarded grant funds to the Foundation during the 2015-16 academic years. This grant supported the development of Colorado's early childhood workforce providing scholarships to individuals working toward certification and/or degrees in Early Childhood Education. Community colleges participating in the program were required to raise local dollars to match the funding received through the program.

Additionally, scholarships will be offered in partnership with existing programs such as T.E.A.C.H. and the Expanding Quality for Infants and Toddlers (EQIT). The purpose of EQIT is to increase the availability and quality of individuals who meet the infant/toddler regulatory training requirements. Early Childhood Councils administer EQIT statewide. Individuals completing the full 48-clock-hour EQIT course of training are considered to have met the infant/toddler portion of the training requirements in accordance with the Division of Early Care and Learning rules regulating childcare centers and family child care home licenses.

The EQIT course was included in the *Effectiveness of Coursework and Onsite Coaching at Improving the Quality of Care in Infant–Toddler Settings*, a research study funded by awards from the Temple Hoyne Buell Foundation and Cydney and Tom Marsico Family Foundation. Results indicated that individuals completing the EQIT course plus 15 hours of coaching displayed the most consistent pattern of improvements.

Finally, the T.E.A.C.H. Early Childhood® Scholarship program is administered by Qualistar Colorado. The scholarship provides an opportunity for early childhood education program directors and teachers to pursue higher education. Turnover for T.E.A.C.H. scholarship recipients is only 4%, which is much lower than the industry average of 30%. According to Qualistar, “99% of T.E.A.C.H. scholarship recipients say they would not have taken college classes without support from Qualistar and the T.E.A.C.H. early childhood education scholarship.”<sup>2</sup>

## ➔ STAFF INITIATED TRANSFER OF PART C CHILD FIND

**RECOMMENDATION:** Staff recommends that the Joint Budget Committee sponsor legislation to move responsibilities for Part C Child Find to the Department of Human Services (bill number 23 on the proposed legislation list). Staff recommends an appropriation of \$2.7 million total funds, which includes \$2.5 million General Fund and \$200,000 Part C federal funds. Staff also recommends creating a new line item for these funds titled “Early

**Intervention Evaluations”. This will result in improved compliance with federal and state regulations, a closer partnership between the Department of Human services and Department of Education, and better outcomes for families.**

Child Find is the process that is used to identify individuals for EI services and is contained within the Department of Education (CDE). Child Find evaluations are performed by multidisciplinary teams within local schools districts. Part C of Child Find specifically deals with infants and toddlers from birth through two years of age. However, the EI services provided to these individuals is managed in the Department of Human Services (DHS), which is responsible for maintaining state and federal timeliness requirements for the program. This can be problematic as DHS has little control of the child find process.

State and federal requirements for identification of infants and toddlers needing service, and providing those services, are not always met mainly due to capacity issues. Of note; This is not an issue of failure to perform, but rather a systems issue. Furthermore, federal regulations requires that the identification and services have a singular management. The state is not currently in compliance with this requirement.

#### *Background*

The Division of Community and Family Support in the Office of Early Childhood administers the Early Intervention Program, which provides services to infants and toddlers from birth through two years of age. These services are provided to infants and toddlers who have a developmental delay or disability, been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability.

The Department of Human Services is designated as Colorado’s lead agency under Part C of the Federal Individuals with Disabilities Education Act (IDEA). Intervention services are provided to eligible children and their families to enhance child development in 15 allowable areas of service that include cognition, speech, communication, physical development, motor development, vision, hearing, social and emotional development, and self-help skills. The Department contracts with 20 Community Centered Boards (CCBs), to deliver these services statewide.

CCBa are private corporations that can be either for-profit or not-for-profit entities. Pursuant to Section 25.5-10-202 (4), when acting as a service agency, the CCBs provide case management services to persons with intellectual and developmental disabilities; and are authorized to determine eligibility of those persons within a specified geographical area; serve as a single point of entry for persons to receive services and supports; and provide authorized services and supports either directly or by purchasing services and supports from service agencies.

In cases of children, birth through two years of age, multi-disciplinary evaluations are performed by Child Find teams under the supervision of CDE. Those meeting the evaluation threshold are referred to the appropriate CCB. Each CCB serves a specific geographic region covering from one to ten counties and is responsible for: intake; eligibility determination; providing service coordination; service plan development; and arrangement, delivery, and monitoring of services.

Rule 12 CCR 2509-10 states that the EI program:

“shall have a comprehensive Child Find system, pursuant to 34 C.F.R. Section 303.302, that focuses on the early identification of infants and toddlers who have developmental delays or disabilities, including a system for making referrals so that timely and rigorous identification shall occur.”

Section 22-20-103 (4), C.R.S., identifies Child Find as the program component of the federal Individuals with Disabilities Education Act (IDEA) that requires states to find, identify, locate, evaluate, and serve all children with disabilities, from birth to twenty-one years of age. Child Find includes Part C Child Find that requires states to find, identify, locate, evaluate, and serve children with disabilities from birth through two years of age. Furthermore, Pursuant to 34 C.F.R. Section 303.302, the state is required to have a comprehensive Child Find system, that focuses on the early identification of infants and toddlers who have developmental delays or disabilities.

The Code of Federal Regulations (24 C.F.R., Section 303.310 and 303.345) requires that infants and toddlers receive an evaluation, eligibility determination, and initial planning meeting within 45 calendar days of the date of referral. The target is 100.0 percent compliance with this measure.

#### *Staff Recommendation*

According to the Early Intervention Colorado State Plan, 2014, each child, birth through two years of age who is referred for EI services shall receive an evaluation by a multidisciplinary team to determine if there is a developmental delay and an assessment to identify a child's current levels of development in all developmental domains. Responsibilities of the program should include:

- The development of local procedures to inform primary referral sources of the requirement under 34 C.F.R., Section 303.303, which is incorporated by reference as defined in Section 7.900, A, 5 to refer a child as soon as possible, but in no case more than seven days after the child has been identified with a suspected developmental delay or disability;
- Ensuring that local child identification process is:
  - family centered;
  - easily accessible;
  - ongoing and available throughout all 12 months of the year;
  - culturally and linguistically appropriate;
  - staffed by appropriately trained personnel at the post-referral screening level, and appropriate, licensed personnel at the evaluation and assessment level; and
  - coordinated so that the completion of evaluation and assessment activities occurs early enough in the process to allow completion of the Individualized Family Service Plan (IFSP) within the 45 calendar-day timeline from the point of referral;
- Convening a meeting within 45 days from the date of referral for an eligible child for the purpose of developing the IFSP;
- Coordination with DHS and CDE to assist a child with disabilities as he or she transitions from the developmental disabilities system into the public education system, no later than the age of three;
- Ensuring that the appropriated entity perform the necessary screening and evaluation of children with disabilities from birth through two years of age;
- Promulgating rules and administrative remedies to ensure that the IDEA timelines and requirements of Part C Child Find are met by these evaluation entities;
- Establishing a process for addressing situations where evaluation entities fail to meet the timelines and requirements;
- Developing and implementing the statewide plan for community education outreach and awareness efforts related to Part C Child Find and the availability of early intervention services;

- Facilitating the implementation of Part C Child Find and the use of Medicaid funds related to Part C Child Find activities; and
- Monitoring screenings and evaluations by evaluation entities of children with disabilities.

Staff recommends that the legislation be broad enough to allow flexibility for the parties to achieve agreement on the details but narrow enough that the outcome is effective. Staff recommends that the legislation establish a process for the Department of Education (CDE) and the Department of Humans Services (DHS) to execute an agreement on how the two agencies will work in partnership with regard to Part C Child Find. This process would include involvement of a neutral third party to facilitate the agreements. This agreement should include the items above and address the following areas:

- 1 Establishment of clear lines of responsibility and accountability via contracts and interagency agreements;
- 2 Necessary reporting requirements and report sharing requirements;
- 3 Funding splits between the Departments;
- 4 Outlines of agreements between the local entities in the Child Find process;
- 5 Monitoring of program compliance and agreement compliance;
- 6 Evaluation timeline requirements;
- 7 Evaluation tools;
- 8 Evaluation location with a pilot on in-home evaluations;
- 9 Ensuring minimal disruption to families;
- 10 Require data collection from LEAs and CCBs regarding actual costs associated with Part C evaluations; and
- 11 Transition for Part C services in DHS to Part B services in CDE and timelines for this transition.

Staff's recommends using FY 2018-19 as a transition period for the program. The recommended timeline is as follows:

- Upon effective date of legislation – DHS and CDE meet regularly to establish an agreement;
- By October 1, 2018 – Agreement entered into by DHS and CDE;
- By November 1, 2018 – CDE, DHS, and JBC Staff report to the Joint Budget Committee on the process for the agreement and the results of process; and
- By June 30, 2019 – All contracts at the local level are in place and functioning.

This process will allow for clear lines of responsibility and accountability. It would also allow for data collection to better understand the needs in the program and the best practices to use to better help children and families. Furthermore, allowing several models in this system would facilitate working relationships between the local parties and allow them to institute what works best for that area.

## → STAFF INITIATED FUNDING TRUE-UP

**RECOMMENDATION:** Staff recommends a reduction of \$2,162,291 total funds, including a reduction of \$2,905,026 cash funds and an increase of \$742,735 federal funds.

In consultation with the Department, staff reviewed line items for adjustments to reflect what the Department actually receives from cash funds and federal funds as compared to what is currently listed in the Long Bill. The table below illustrates the line items and amounts for these adjustments. None of these adjustments will affect the Department's ability to perform its functions or provide services to the residents of Colorado.

STAFF INITIATED FUNDING TRUE-UP				
LINE ITEM	TOTAL FUNDS	CASH FUNDS	FEDERAL FUNDS	FTE
Fine Assessed Against Licenses	(\$10,000)	(\$10,000)	\$0	0.0
Child Care Grants for Quality and Availability and Federal Targeted Funds Requirements	(439,495)	(439,495)	0	0.0
Promoting Safe and Stable Families	378,273	0	378,273	0.0
Early Intervention Services	(3,413,510)	(2,320,928)	(1,092,582)	0.0
Colorado Children's Trust Fund	49,297	(112,103)	161,400	0.0
Nurse Home Visitor Program	1,558,737	0	1,558,737	0.0
Family Support Services	(285,593)	(22,500)	(263,093)	0.0
<b>TOTAL</b>	<b>(\$2,162,291)</b>	<b>(\$2,905,026)</b>	<b>\$742,735</b>	<b>0.0</b>

## LINE ITEM DETAIL – OFFICE OF EARLY CHILDHOOD

### (A) Division of Early Care and learning

The Division of Early Care and Learning is responsible for administering various early childhood grant programs and for licensing and monitoring childcare facilities throughout the state. These include childcare homes and centers, preschool and school-age child care programs, homeless youth shelters, and summer camps, as well as 24-hour facilities (such as residential treatment facilities, residential child care facilities, and child placement agencies).

### EARLY CHILDHOOD COUNCILS

This line item funds the Early Childhood Councils program. The program includes 34 self-determined communities that span 58 counties. Ninety-nine percent of Colorado's population lives within these communities.

It is the responsibility of the Early Childhood Councils to build the foundation of a locally based early childhood system so that more high quality services are available to children and families. Funding in this line item is federal Child Care Development Funds and is distributed to Early Childhood Councils through a grant process on a three year cycle. Funding is also used by the Department for staff to administer the grant process, provide program oversight, perform contract and budget management, and deliver technical assistance and support to the councils.

*STATUTORY AUTHORITY:* Section 26-6.5-101 et seq., C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,984,169 federal Child Care Development Funds and 1.0 FTE, which represents a continuation of level funding.

*RECOMMENDATION:* **Staff recommends an appropriation of \$1,984,169 federal Child Care Development Funds and 1.0 FTE.**

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, EARLY CHILDHOOD COUNCILS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$1,984,169	\$0	\$0	\$0	\$1,984,169	1.0
<b>TOTAL</b>	<b>\$1,984,169</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,984,169</b>	<b>1.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$1,984,169	\$0	\$0	\$0	\$1,984,169	1.0
<b>TOTAL</b>	<b>\$1,984,169</b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>\$1,984,169</b>	<b>1.0</b>
Percentage Change	0.0%	n/a	n/a	n/a	0.0%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$1,984,169</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,984,169</b>	<b>1.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## CHILD CARE LICENSING AND ADMINISTRATION

The Division of Early Care and Learning is responsible for inspecting, licensing and monitoring child care facilities throughout the state, including child care homes and centers, preschool and school-age child care programs, homeless youth shelters, and summer camps, as well as 24-hour facilities (such as residential treatment facilities, residential child care facilities, and child placement agencies). In addition to funding contracts with licensing specialists in local communities, this line item provides funding for the majority of the Division staff.

*STATUTORY AUTHORITY:* Sections 26-1-101 et. seq. and 26-1-111, C.R.S.

*REQUEST:* The Department requests an appropriation of \$9,104,027 total funds, including \$2,529,873 General Fund, \$876,778 cash funds, \$5,697,376 federal funds, and 54.0 FTE.

*RECOMMENDATION:* **Staff's recommends an appropriation of \$9,104,027 total funds, including \$2,529,873 General Fund, \$876,778 cash funds, \$5,697,376 federal funds, and 54.0 FTE. Staff requests permission to adjust this line item based on the Committee's decision on "R24 Provider rate increase."**

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, CHILD CARE LICENSING AND ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$8,938,106	\$2,478,438	\$858,526	\$0	\$5,601,142	54.0

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, CHILD CARE LICENSING AND ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>TOTAL</b>	<b>\$8,938,106</b>	<b>\$2,478,438</b>	<b>\$858,526</b>	<b>\$0</b>	<b>\$5,601,142</b>	<b>54.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$8,938,106	\$2,478,438	\$858,526	\$0	\$5,601,142	54.0
Annualize prior year budget actions	119,488	37,041	13,144	0	69,303	0.0
R24 Provider rate increase	46,433	14,394	5,108	0	26,931	0.0
<b>TOTAL</b>	<b>\$9,104,027</b>	<b>\$2,529,873</b>	<b>\$876,778</b>	<b>\$0</b>	<b>\$5,697,376</b>	<b>54.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$165,921</b>	<b>\$51,435</b>	<b>\$18,252</b>	<b>\$0</b>	<b>\$96,234</b>	<b>0.0</b>
Percentage Change	1.9%	2.1%	2.1%	0.0%	1.7%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$9,104,027</b>	<b>\$2,529,873</b>	<b>\$876,778</b>	<b>\$0</b>	<b>\$5,697,376</b>	<b>54.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### FINES ASSESSED AGAINST LICENSES

This line item reflects spending authority associated with the Child Care Cash Fund, which consists of fines collected from licenses by the Department pursuant to Section 26-6-114 (5), C.R.S. Fines are assessed against unlicensed child care providers for operating illegally and are assessed against licensed child care providers for consistent violation of regulations.

The fee structure is set in rules and regulations promulgated by the Department but may not exceed \$100 dollars a day to a maximum of \$10,000 dollars. Currently, any unlicensed child care facility may be fined up to \$100 a day to a maximum of \$1,000 for providing care for which a license is required. For providing child care for which a license is required after receipt of a cease and desist order, an unlicensed facility will be fined \$100 a day to a maximum of \$10,000. A licensed child care facility may be fined up to \$100 a day to a maximum of \$10,000 for each violation of the Child Care Act. Any person intentionally making a false statement or report to the Department or to any agency delegated by the Department to make an investigation or inspection under the provisions of the Child Care Act may be fined up to \$100 a day to a maximum of \$10,000.

Monies in the fund are continuously appropriated to the Department to fund activities related to the improvement of the quality of child care in the state of Colorado. As a result, this line item is included in the Long Bill for informational purposes only.

*STATUTORY AUTHORITY:* Section 26-6-114, C.R.S.

*REQUEST:* The Department request an appropriation of \$20,000 cash funds.

*RECOMMENDATION:* **Staff recommends an appropriation of \$10,000 cash funds from the Child Care Cash Fund. The difference in the Department request and staff recommendation is discussed above in “Staff initiated funding true-up.”**

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, FINE ASSESSED AGAINST LICENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$20,000	\$0	\$20,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$20,000	\$0	\$20,000	\$0	\$0	0.0
Staff initiated funding true-up	(10,000)	0	(10,000)	0	0	0.0
<b>TOTAL</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$10,000)</b>	<b>\$0</b>	<b>(\$10,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(50.0%)	n/a	(50.0%)	n/a	n/a	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$10,000	\$0	\$10,000	\$0	\$0	0.0

### CHILD CARE ASSISTANCE PROGRAM

The Colorado Child Care Assistance Program (CCCAP) is the largest single component of the Division's budget. The program provides financial assistance to low-income families who are working, searching and/or training for employment, enrolled in the Colorado Works Program, or in post-secondary education and are in need of child care services to support their efforts toward self-sufficiency. The Division of Early Care and Learning is the lead agency for CCCAP and it supervises services administered by county department of human/social services.

*STATUTORY AUTHORITY:* Section 26-2-801 et. seq., C.R.S.

*REQUEST:* The Department requests an appropriation of \$103,491,873 total funds, including \$25,039,745 General Fund, \$12,998,315 cash funds, and \$65,453,813 federal funds.

*RECOMMENDATION:* **Staff recommends an appropriation of \$112,569,426 total funds, including \$29,039,745 General Fund, \$11,498,315 cash funds, and \$72,031,366 federal Child Care Development Funds. The difference between the Department's request and staff recommendation is discussed above in "Mitigation of CCCAP Waitlists."**

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, CHILD CARE ASSISTANCE PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$92,147,947	\$24,791,827	\$9,899,322	\$0	\$57,456,798	0.0
HB 18-1162 (Supplemental)	\$7,250,000	\$0	\$1,500,000	\$0	\$5,750,000	0.0
<b>TOTAL</b>	<b>\$99,397,947</b>	<b>\$24,791,827</b>	<b>\$11,399,322</b>	<b>\$0</b>	<b>\$63,206,798</b>	<b>0.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$99,397,947	\$24,791,827	\$11,399,322	\$0	\$63,206,798	0.0
BA3 Mitigation of CCCAP waitlist	12,250,000	4,000,000	0	0	8,250,000	0.0



OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, CHILD CARE ASSISTANCE PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
R24 Provider rate increase	921,479	247,918	98,993	0	574,568	0.0
<b>TOTAL</b>	<b>\$112,569,426</b>	<b>\$29,039,745</b>	<b>\$11,498,315</b>	<b>\$0</b>	<b>\$72,031,366</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$13,171,479</b>	<b>\$4,247,918</b>	<b>\$98,993</b>	<b>\$0</b>	<b>\$8,824,568</b>	<b>0.0</b>
Percentage Change	13.3%	17.1%	0.9%	n/a	14.0%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$103,491,873</b>	<b>\$25,039,745</b>	<b>\$12,998,315</b>	<b>\$0</b>	<b>\$65,453,813</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$9,077,553)	(\$4,000,000)	\$1,500,000	\$0	(\$6,577,553)	0.0

### CHILD CARE ASSISTANCE PROGRAM MARKET RATE STUDY

The Colorado Child Care Assistance Program Market Rate Study was created in H.B. 14-1317 and is used to establish state suggested rates for CCCAP that provide equal access to children and families, generally defined as rates at the 75<sup>th</sup> percentile of a given child care market.

*STATUTORY AUTHORITY:* Section 26-2-802 (2)(b), C.R.S.

*REQUEST:* The Department requests an appropriation of \$55,000 General Fund.

*RECOMMENDATION:* Staff recommends an appropriation of \$75,000 total funds, including \$55,000 General Fund and \$20,000 federal funds from the Child Care Development Fund. The difference between the Department's request and staff recommendation is discussed above in "Mitigation of CCCAP Waitlists."

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, COLORADO CHILD CARE ASSISTANCE PROGRAM MARKET RATE STUDY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2017-18 APPROPRIATION</b>						
SB 17-254 (Long Bill)	\$55,000	\$55,000	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2018-19 RECOMMENDED APPROPRIATION</b>						
FY 2017-18 Appropriation	\$55,000	\$55,000	\$0	\$0	\$0	0.0
Staff initiated increase market rate	20,000	0	0	0	20,000	0.0
<b>TOTAL</b>	<b>\$75,000</b>	<b>\$55,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,000</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,000</b>	<b>0.0</b>
Percentage Change	36.4%	0.0%	n/a	n/a	0.0%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$20,000)	\$0	\$0	\$0	(\$20,000)	0.0

## COLORADO CHILD CARE ASSISTANCE CLIFF EFFECT PROGRAM

The Colorado Child Care Assistance Cliff Effect Program was created by S.B. 12-022 and amended and funded through S.B. 14-003 to provide ongoing assistance to families whose income may increase beyond the level of Colorado Child Care Assistance Program eligibility, but not enough to cover the full cost of quality childcare. Grants are provided to counties electing to participate in the pilot. Local pilot programs are designed in a manner that best addresses the county's specific needs.

*STATUTORY AUTHORITY:* Section 26-2-808, C.R.S

*REQUEST:* The Department requests an appropriation of \$1,270,991 total funds, including \$70,991 General Fund, \$1,200,000 cash funds, and 1.0 FTE.

*RECOMMENDATION:* **Staff recommends an appropriation of \$0 total funds and 0.0 FTE.**

The difference between the Department request and Staff recommendation revolves around the Colorado Child Care Assistance Cliff Effect Pilot Program Fund. This cash fund does not have a fund balance meaning that there are no funds available from this cash fund. As the bulk of the funds are meant to be derived from the cash fund, the General Fund contribution is not meaningful enough to keep in the line item as it would not cover the costs of the program.

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, COLORADO CHILD CARE ASSISTANCE CLIFF EFFECT PILOT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$1,269,453	\$69,453	\$1,200,000	\$0	\$0	1.0
<b>TOTAL</b>	<b>\$1,269,453</b>	<b>\$69,453</b>	<b>\$1,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$1,269,453	\$69,453	\$1,200,000	\$0	\$0	1.0
Annualize prior year budget actions	1,538	1,538	0	0	0	0.0
Staff initiated changes based on fund balances	(1,270,991)	(70,991)	(1,200,000)	0	0	(1.0)
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$1,269,453)</b>	<b>(\$69,453)</b>	<b>(\$1,200,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>(1.0)</b>
Percentage Change	(100.0%)	(100.0%)	(100.0%)	n/a	n/a	(100.0%)
FY 2018-19 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$1,270,991	\$70,991	\$1,200,000	\$0	\$0	1.0

## CHILD CARE GRANTS FOR QUALITY AND AVAILABILITY AND FEDERAL TARGETED FUNDS REQUIREMENTS

This line item was created in FY 2007-08 and combined the former Grants to Improve the Quality and Availability of Child Care and Federal Discretionary Child Care Funds Earmarked for Certain Purposes line items. Three components of the line item appropriation are as follows.

QUALITY IMPROVEMENT REQUIREMENT - The federal government requires that 8.0 percent of expenditures for Child Care and Development Fund (CCDF)-supported activities be used to improve the quality of child care.

TARGETED FUNDS REQUIREMENT - Federal law concerning Child Care Development Funds also requires specific dollar amounts of the discretionary grant funding under CCDF be targeted for specific purposes. These targeted amounts are for: 1) infant/toddler programs; 2) school age and/or resource and referral programs; and 3) quality expansion activities such as professional development, mentoring, provider retention, equipment supply, facility start-up and minor facility renovation. Funding used to meet the target requirement may not also be used to meet the quality requirement (although many expenditures could be assigned to either category).

Through H.B. 13-1291, the General Assembly created the Colorado Infant and Toddler Quality and Availability Grant Program. The goal of the program is to improve the quality in infant and toddler care, provide tiered reimbursement to high-quality early childhood programs, and increase the number of low-income infants and toddlers served through high-quality early childhood programs.

*STATUTORY AUTHORITY:* Section 26-6.5-303 et seq., C.R.S.

*REQUEST:* The Department requests an appropriation of \$8,675,681 total funds, including \$4,760,424 General Fund, \$439,682 cash funds, \$3,475,575 federal funds, and 1.0 FTE.

*RECOMMENDATION:* Staff recommends an appropriation of \$8,236,186 total funds, including \$4,760,424 General Fund, \$187 cash funds from the Child Care Licensing Cash Fund, \$3,475,575 federal Child Care Development Funds, and 1.0 FTE. The difference in the Department request and staff recommendation is discussed above in “Staff initiated funding true-up.”

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, CHILD CARE GRANTS FOR QUALITY AND AVAILABILITY AND FEDERAL TARGETED FUNDS REQUIREMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$8,671,947	\$4,758,371	\$439,495	\$0	\$3,474,081	1.0
<b>TOTAL</b>	<b>\$8,671,947</b>	<b>\$4,758,371</b>	<b>\$439,495</b>	<b>\$0</b>	<b>\$3,474,081</b>	<b>1.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$8,671,947	\$4,758,371	\$439,495	\$0	\$3,474,081	1.0
Annualize prior year budget actions	3,734	2,053	187	0	1,494	0.0
Staff initiated funding true-up	(439,495)	0	(439,495)	0	0	0.0
<b>TOTAL</b>	<b>\$8,236,186</b>	<b>\$4,760,424</b>	<b>\$187</b>	<b>\$0</b>	<b>\$3,475,575</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$435,761)</b>	<b>\$2,053</b>	<b>(\$439,308)</b>	<b>\$0</b>	<b>\$1,494</b>	<b>0.0</b>
Percentage Change	(5.0%)	0.0%	(100.0%)	n/a	0.0%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$8,675,681</b>	<b>\$4,760,424</b>	<b>\$439,682</b>	<b>\$0</b>	<b>\$3,475,575</b>	<b>1.0</b>
Request Above/(Below) Recommendation	\$439,495	\$0	\$439,495	\$0	\$0	0.0

## SCHOOL READINESS AND QUALITY IMPROVEMENT PROGRAM

House Bill 02-1297 [Section 26-6.5-106, C.R.S.] created the School-readiness Child Care Subsidization Program to improve the quality of certain licensed child care facilities whose enrolled children ultimately attend low-performing neighborhood elementary schools. The legislation was reauthorized in H.B. 05-1238 and the program renamed the School Readiness and Quality Improvement Program. The program provides grants to child care facilities in areas served by low-performing schools.

The program provides subsidies over a three year period to participating child care centers and family child care homes to cover the cost of equipment, supplies, minor renovations, curricula, staff education, scholarships, training, and bonuses for facility staff for demonstrating quality improvements and addressing problems identified in the ratings. Grantees are selected based on approval of plans that encompass criteria including: demonstrated need, number of eligible schools and providers, and plans to track future academic performance of children who participate in the program.

*STATUTORY AUTHORITY:* Section 26-6.5-106, C.R.S.

*REQUEST:* The Department requests an appropriation of \$2,230,952 federal Child Care Development Funds and 1.0 FTE.

***RECOMMENDATION:* Staff recommends an appropriation of \$2,230,952 federal Child Care Development Funds and 1.0 FTE.**

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, SCHOOL-READINESS QUALITY IMPROVEMENT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$2,229,652	\$0	\$0	\$0	\$2,229,652	1.0
<b>TOTAL</b>	<b>\$2,229,652</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,229,652</b>	<b>1.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$2,229,652	\$0	\$0	\$0	\$2,229,652	1.0
Annualize prior year budget actions	1,300	0	0	0	1,300	0.0
<b>TOTAL</b>	<b>\$2,230,952</b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>\$2,230,952</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,300</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,300</b>	<b>0.0</b>
Percentage Change	0.1%	n/a	n/a	n/a	0.1%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$2,230,952</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,230,952</b>	<b>1.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## EARLY LITERACY BOOK DISTRIBUTION

Funding for this line provides a contractor with a \$100,000 grant to distribute 11,540 new books to approximately 6,320 young children during their routine well child visit. Health care providers will distribute and advise parents to read aloud to their children in order to promote their child's cognitive and literacy skills. The contractor will focus on expanding reading programs in counties

that do not already have established programs. The program will primarily serve children living in families with incomes under 250 percent of the federal poverty level.

*STATUTORY AUTHORITY:* The program was created in the Long Bill in FY 2014-15.

*REQUEST:* The Department requests an appropriation of \$100,000 General Fund.

*RECOMMENDATION:* **Staff recommends an appropriation of \$100,000 General Fund.**

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, EARLY LITERACY BOOK DISTRIBUTION PARTNERSHIP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$100,000	\$100,000	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$100,000	\$100,000	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## MICRO GRANTS TO INCREASE ACCESS TO CHILD CARE

Funding in this line item is intended to provide micro grants to individuals in communities that currently lack licensed child care capacity. Funds are used to cover start-up costs associated with licensing and other eligible business related expenses.

*STATUTORY AUTHORITY:* The Department is statutorily authorized to license and inspect child care facilities in the State of Colorado; however there is no specific authorization related to the grant program. It was created through an appropriation in the FY 2015-16 Long Bill.

*REQUEST:* The Department requests that funding for this program be eliminated.

*RECOMMENDATION:* **Staff recommends that the funding for this program be eliminated.**

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, MICRO GRANTS TO INCREASE ACCESS TO CHILD CARE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$250,000	\$0	\$0	\$0	\$250,000	0.0
HB 18-1162 (Supplemental)	(250,000)	0	0	0	(250,000)	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, MICRO GRANTS TO INCREASE  
ACCESS TO CHILD CARE

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0
Annualize HB 18-1162 (supplemental bill)	250,000	0	0	0	250,000	0.0
R22 Reduce micro grants	(250,000)	0	0	0	(250,000)	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	n/a	n/a	n/a	0.0%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

CONTINUATION OF CHILD CARE QUALITY INITIATIVES

This line funds the Colorado Shines framework, including the child care quality rating and improvement system and the professional development and information system. Colorado Shines incorporates the use of data to guide program improvement as outcomes are measured using the technology system. This system is integrated with other state data systems to support the evaluation of program outcomes. It provides data that will be used to benchmark quality for child care consumers and broaden the awareness of those components that are indicative of quality care.

*STATUTORY AUTHORITY:* Section 26-6-116, C.R.S.

*REQUEST:* The Department requests an appropriation of \$2,862,512 federal Child Care Development Funds and 14.6 FTE, which represents a continuation of level funding.

*RECOMMENDATION:* **Staff recommends an appropriation of \$2,862,512 federal Child Care Development Funds and 14.6 FTE.**

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, CONTINUATION OF CHILD  
CARE QUALITY INITIATIVES

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2017-18 APPROPRIATION</b>						
SB 17-254 (Long Bill)	\$2,862,512	\$0	\$0	\$0	\$2,862,512	14.6
<b>TOTAL</b>	<b>\$2,862,512</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,862,512</b>	<b>14.6</b>
<b>FY 2018-19 RECOMMENDED APPROPRIATION</b>						
FY 2017-18 Appropriation	\$2,862,512	\$0	\$0	\$0	\$2,862,512	14.6
<b>TOTAL</b>	<b>\$2,862,512</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,862,512</b>	<b>14.6</b>
Percentage Change	0.0%	n/a	n/a	n/a	0.0%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$2,862,512</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,862,512</b>	<b>14.6</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## CHILD CARE ASSISTANCE PROGRAM SUPPORT

This line item funds contracted maintenance and support for the Child Care Automated Tracking System.

*STATUTORY AUTHORITY:* Section 26-2-801 et. seq., C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,049,500 federal Child Care Development Funds.

*RECOMMENDATION:* **Staff recommends an appropriation of \$1,049,500 federal funds from the Child Care Development Fund. Staff requests permission to adjust this line item based on the Committee's decision of BA15, which will be presented in OITS figure setting.**

OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, CHILD CARE ASSISTANCE PROGRAM SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$1,200,000	\$0	\$0	\$0	\$1,200,000	0.0
<b>TOTAL</b>	<b>\$1,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,200,000</b>	<b>0.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$1,200,000	\$0	\$0	\$0	\$1,200,000	0.0
BA15 Child Care Development Funds transfer*	(150,500)	0	0	0	(150,500)	0.0
<b>TOTAL</b>	<b>\$1,049,500</b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>\$1,049,500</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$150,500)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$150,500)</b>	<b>0.0</b>
Percentage Change	(12.5%)	0.0%	0.0%	0.0%	(12.5%)	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$1,049,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,049,500</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	n/a	n/a	n/a	\$0	0.0

\*This recommendation is pending Committee action on a decision item for OITS. Staff will incorporate any future Committee action on this decision item into the Long Bill for this line item.

## EARLY CHILDHOOD WORKFORCE SUPPORT

This is a new line item intended to offer support to individuals seeking to work in the early childhood area.

*STATUTORY AUTHORITY:* Section 26-6.5-106 (5)(a)(IV) C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,000,000 General Fund

*RECOMMENDATION:* **Staff recommends an appropriation of \$500,000 General Fund.**

**OFFICE OF EARLY CHILDHOOD, DIVISION OF EARLY CARE AND LEARNING, EARLY  
CHILDHOOD WORKFORCE SUPPORTS**

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2017-18 APPROPRIATION</b>						
SB 17-254 (Long Bill)	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>FY 2018-19 RECOMMENDED APPROPRIATION</b>						
FY 2017-18 Appropriation	0	0	0	0	0	0.0
BA6 Early childhood workforce supports	500,000	500,000	0	0	0	0.0
<b>TOTAL</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>Increase/(Decrease)</b>	\$500,000	\$500,000	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	500,000	500,000	0	0	0	0.0



## (B) Division of Community and Family Support

The Division of Community and Family Support includes Early Childhood Councils, Early Intervention Services, Promoting Safe and Stable Families, the Children's Trust Fund, Family Resource Centers, Nurse Home Visitor Program, and Early Childhood Mental Health Services.

### PROMOTING SAFE AND STABLE FAMILIES PROGRAM

The program promotes permanency and safety for children by providing support to families in a flexible, family-centered manner through a collaborative community effort. While a small portion of the funds are used to support 2.0 FTE responsible for administering the program, the majority of funds are made available to local communities and tribes. A twenty-five percent match is required to draw down the federal funds. The General Fund is used to provide the match for the portion of the funds that are used for state-level staff and activities, and local communities are required to provide the match for the funds they receive.

Each local site is required to have a Community Advisory Council comprised of governmental and community stakeholders, family advocates and parents, and consumers to help direct the project. Currently, 41 counties and the Ute Mountain Ute tribe receive funding to:

- Reunify children placed in the foster care system with their families;
- Support and promote adoption or permanent placement with kin for children who cannot be safely returned home; and
- Prevent child abuse and neglect in at-risk families.

*STATUTORY AUTHORITY:* Section 26-5-101 et. seq. C.R.S.

*REQUEST:* The Department requests an appropriation of \$4,227,732 total funds, including \$55,134 General Fund, \$1,068,080 cash funds from local sources, \$3,104,518 federal funds, and 2.0 FTE.

***RECOMMENDATION:* Staff recommends an appropriation of \$4,606,005 total funds, including \$55,134 General Fund, \$1,068,080 cash funds from local sources, \$3,482,791 federal funds, and 2.0 FTE. See write-up for "Staff initiated funding true-up."**

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, PROMOTING SAFE AND STABLE FAMILIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$4,215,147	\$54,882	\$1,064,934	\$0	\$3,095,331	2.0
<b>TOTAL</b>	<b>\$4,215,147</b>	<b>\$54,882</b>	<b>\$1,064,934</b>	<b>\$0</b>	<b>\$3,095,331</b>	<b>2.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$4,215,147	\$54,882	\$1,064,934	\$0	\$3,095,331	2.0
Staff initiated funding true-up	378,273	0	0	0	378,273	0.0
Annualize prior year budget actions	12,585	252	3,146	0	9,187	0.0
<b>TOTAL</b>	<b>\$4,606,005</b>	<b>\$55,134</b>	<b>\$1,068,080</b>	<b>\$0</b>	<b>\$3,482,791</b>	<b>2.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$390,858</b>	<b>\$252</b>	<b>\$3,146</b>	<b>\$0</b>	<b>\$387,460</b>	<b>0.0</b>
Percentage Change	9.3%	0.5%	0.3%	n/a	12.5%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$4,227,732</b>	<b>\$55,134</b>	<b>\$1,068,080</b>	<b>\$0</b>	<b>\$3,104,518</b>	<b>2.0</b>
Request Above/(Below) Recommendation	(\$378,273)	\$0	\$0	\$0	(\$378,273)	0.0

## EARLY CHILDHOOD MENTAL HEALTH SERVICES

This program supports early childhood mental health specialists through contracts with community mental health centers. It is intended to increase the availability of mental health services to young children, birth through age five, and provide consultation and coaching to families and early learning providers. Specialists focus on developing and strengthening social and emotional skills of young children through timely screening and assessment, increasing the parent and provider's ability to manage difficult behaviors, providing outreach, and connecting families to other community resources.

*STATUTORY AUTHORITY:* Sections 27-66-101 through 108; 27-65-101 through 131; 27-67-101 through 108; 25.5-5-411; 16-11.5-102; 16-11.9-101; 18-1.9-101; 25-1.5-103; 25-3-102; 25.5-4-403; 25.5-6-901; 25.5-5-307; 25.5-6-601 through 607; 24-1.9-101, C.R.S.

*REQUEST:* The Department requests an appropriation of \$3,024,749 total funds, including \$1,275,961 General Fund, \$1,748,788 federal funds, and 0.7 FTE.

***RECOMMENDATION:* Staff's recommends an appropriation of \$3,024,749 total funds, including \$1,275,961 General Fund, \$1,748,788 federal funds, and 0.7 FTE. Staff requests permission to adjust this line item based on the Committees decision on "R24 Provider rate increase."**

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, EARLY CHILDHOOD MENTAL HEALTH SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$2,987,632	\$1,260,317	\$0	\$0	\$1,727,315	0.7
<b>TOTAL</b>	<b>\$2,987,632</b>	<b>\$1,260,317</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,727,315</b>	<b>0.7</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$2,987,632	\$1,260,317	\$0	\$0	\$1,727,315	0.7
R24 Provider rate increase	29,948	12,633	0	0	17,315	0.0
Annualize prior year budget actions	7,169	3,011	0	0	4,158	0.0
<b>TOTAL</b>	<b>\$3,024,749</b>	<b>\$1,275,961</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,748,788</b>	<b>0.7</b>
<b>INCREASE/(DECREASE)</b>	<b>\$37,117</b>	<b>\$15,644</b>	<b>\$0</b>	<b>\$0</b>	<b>\$21,473</b>	<b>0.0</b>
Percentage Change	1.2%	1.2%	n/a	n/a	1.2%	0.0%
FY 2018-19 EXECUTIVE REQUEST						
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

## EARLY INTERVENTION SERVICES

The majority of the Division's budget is appropriated to Early Intervention Services and Early Intervention Services Case Management. These services are provided to infants and toddlers, birth through age two, with one of the following three conditions:

- A developmental delay or disability diagnosis;
- A physical or mental condition that has a high probability of resulting in a significant delay in development; or
- A parent or caretaker who has a developmental disability.

*STATUTORY AUTHORITY:* Sections 27-10.5-401 through 27-10.5-402; 27-10.5-701 through 710; C.R.S.; Individuals with Disabilities Education Act, 34 C.F.R. Section 303-101 (a)(1)

*REQUEST:* The Department requests an appropriation of \$47,583,135 total funds, including \$26,389,642 General Fund, \$12,820,928 cash funds, \$8,372,565 federal funds, and 6.5 FTE.

*RECOMMENDATION:* Staff recommends an appropriation of \$62,244,583 total funds, including \$36,496,578 General Fund, \$10,500,000 cash funds from the Early Intervention Services Trust Fund (indicated for informational purposes only), \$7,968,022 reappropriated funds, \$7,279,983 federal funds from Part C of the federal Individuals with Disabilities Education Improvement Act, and 7.5 FTE. The difference in the Department request and staff recommendation is discussed above in “Early intervention caseload increase,” and “Staff initiated funding true-up.” Staff requests permission to adjust this line item based on the Committees decision on “R24 Provider rate increase.”

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, EARLY INTERVENTION SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2017-18 APPROPRIATION</b>						
SB 17-254 (Long Bill)	\$44,597,569	\$23,630,843	\$12,693,988	\$0	\$8,272,738	6.5
HB 18-1162 (Supplemental)	\$3,525,550	\$3,525,550	\$0	\$0	\$0	1.0
<b>TOTAL</b>	<b>\$48,123,119</b>	<b>\$27,156,393</b>	<b>\$12,693,988</b>	<b>\$0</b>	<b>\$8,272,738</b>	<b>7.5</b>
<b>FY 2018-19 RECOMMENDED APPROPRIATION</b>						
FY 2017-18 Appropriation	\$48,123,119	\$27,156,393	\$12,693,988	\$0	\$8,272,738	7.5
	15,305,908	7,337,886	0	7,968,022	0	0.0
Staff initiated EI line item consolidation						
BA2 Early intervention caseload increase	1,765,991	1,765,991	0	0	0	0.0
R24 Provider rate increase	446,145	236,308	126,940	0	82,897	0.0
Annualize prior year budget actions	16,930	0	0	0	16,930	0.0
Staff initiated funding true-up	(3,413,510)	0	(2,320,928)	0	(1,092,582)	0.0
<b>TOTAL</b>	<b>\$62,244,583</b>	<b>\$36,496,578</b>	<b>\$10,500,000</b>	<b>\$7,968,022</b>	<b>\$7,279,983</b>	<b>7.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$14,121,464</b>	<b>\$9,340,185</b>	<b>(\$2,193,988)</b>	<b>\$7,968,022</b>	<b>(\$992,755)</b>	<b>0.0</b>
Percentage Change	29.3%	34.4%	(17.3%)	0.0%	(12.0%)	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$47,583,135</b>	<b>\$26,389,642</b>	<b>\$12,820,928</b>	<b>\$0</b>	<b>\$8,372,565</b>	<b>6.5</b>
Request Above/(Below)						
Recommendation	(\$14,661,448)	(\$10,106,936)	\$2,320,928	(\$7,968,022)	\$1,092,582	(1.0)

## EARLY INTERVENTION SERVICES CASE MANAGEMENT

This line item funds the case management expenses associated with the delivery of early intervention services. Community Centered Boards (CCBs) are designated by the state to provide case management services, including intake, developmental disability determination, financial eligibility, service plan development, referral for services, monitoring of services, and many other functions. Additionally, CCBs are responsible for assessing service area needs and developing plans and priorities to meet those needs.

*STATUTORY AUTHORITY:* Section 27-10.5-401 through 27-10.5-407, C.R.S.

*REQUEST:* The Department requests an appropriation of \$13,212,458 total funds, including \$5,762,480 General Fund and \$7,449,978 Medicaid reappropriated funds.

*RECOMMENDATION:* **Staff recommends an appropriation of \$0 total funds. The difference in the Department request and staff recommendation is discussed above in “Early Intervention Caseload Increase.”**

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, EARLY INTERVENTION SERVICES CASE MANAGEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2017-18 APPROPRIATION</b>						
SB 17-254 (Long Bill)	\$11,138,994	\$4,483,635	\$0	\$6,655,359	\$0	0.0
HB 18-1162 (Supplemental)	\$2,093,450	\$1,575,406	\$0	\$518,044	\$0	0.0
<b>TOTAL</b>	<b>\$13,232,444</b>	<b>\$6,059,041</b>	<b>\$0</b>	<b>\$7,173,403</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2018-19 RECOMMENDED APPROPRIATION</b>						
FY 2017-18 Appropriation	\$13,232,444	\$6,059,041	\$0	\$7,173,403	\$0	0.0
BA2 Early intervention caseload increase	1,962,074	1,234,009	0	728,065	0	0.0
R24 Provider rate increase	111,390	44,836	0	66,554	0	0.0
Staff initiated EI line item consolidation	(15,305,908)	(7,337,886)	0	(7,968,022)	0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$13,232,444)</b>	<b>(\$6,059,041)</b>	<b>\$0</b>	<b>(\$7,173,403)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(100.0%)	(100.0%)	n/a	(100.0%)	n/a	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>						
Request Above/(Below)						
Recommendation	\$13,212,458	\$5,762,480	\$0	\$7,449,978	\$0	0.0

## COLORADO CHILDREN’S TRUST FUND

This line item funds the personnel expenses of the administration of the Colorado Children's Trust Fund Grant Program. The program is supported by a \$15 fee on petitioners for the dissolution of marriage, legal separation, or the declaration of legal invalidity of marriage. Grants are awarded to local prevention and education programs that work with child abuse and neglect cases. The Colorado Children's Trust Fund Board is responsible for grant decisions. Statute allows for the fund to build up a balance of \$5.0 million, at which point the fee would be eliminated and the grants would subsist on the interest earned on the fund balance.

*STATUTORY AUTHORITY:* Section 19-3.5-101 et seq., C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,105,703 total funds, including \$462,103 cash funds, \$643,600 federal funds, and 1.5 FTE.

*RECOMMENDATION:* **Staff recommends an appropriation of 1,155,000 total funds, including \$350,000 cash funds from the Colorado Children’s Trust Fund, \$805,000 federal funds, and**

**1.5 FTE. The difference in the Department request and staff recommendation is discussed above in “Staff initiated funding true-up.”**

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, COLORADO CHILDREN'S TRUST FUND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$1,100,739	\$0	\$457,139	\$0	\$643,600	1.5
<b>TOTAL</b>	<b>\$1,100,739</b>	<b>\$0</b>	<b>\$457,139</b>	<b>\$0</b>	<b>\$643,600</b>	<b>1.5</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$1,100,739	\$0	\$457,139	\$0	\$643,600	1.5
Staff initiated funding true-up	49,297	0	(112,103)	0	161,400	0.0
Annualize prior year budget actions	4,964	0	4,964	0	0	0.0
<b>TOTAL</b>	<b>\$1,155,000</b>	<b>\$0</b>	<b>\$350,000</b>	<b>\$0</b>	<b>\$805,000</b>	<b>1.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$54,261</b>	<b>\$0</b>	<b>(\$107,139)</b>	<b>\$0</b>	<b>\$161,400</b>	<b>0.0</b>
Percentage Change	4.9%	n/a	(23.4%)	n/a	25.1%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$1,105,703</b>	<b>\$0</b>	<b>\$462,103</b>	<b>\$0</b>	<b>\$643,600</b>	<b>1.5</b>
Request Above/(Below) Recommendation	(\$49,297)	\$0	\$112,103	\$0	(\$161,400)	0.0

#### FAMILY SUPPORT SERVICES

This line item funds grants to Family Resource Centers that serve over 56,000 families each year. Of those families, 2,500 opted to receive comprehensive coordinated case management services to navigate the pathways to economic, educational, social and health success for all generations, moving families from crisis to self-reliance.

*STATUTORY AUTHORITY:* Section 26-18-104, C.R.S.

*REQUEST:* The Department requests an appropriation of \$1,038,297 total funds, including \$752,704 General Fund, \$22,500 cash funds, \$263,093 federal funds, and 0.5 FTE.

*RECOMMENDATION:* **Staff recommends an appropriation of \$752,704 General Fund, and 0.5 FTE. The difference in the Department request and staff recommendation is discussed above in “Staff initiated funding true-up.”**

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, FAMILY SUPPORT SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	Reappropriated Funds	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$1,035,593	\$750,000	\$22,500	\$0	\$263,093	0.5
<b>TOTAL</b>	<b>\$1,035,593</b>	<b>\$750,000</b>	<b>\$22,500</b>	<b>\$0</b>	<b>\$263,093</b>	<b>0.5</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$1,035,593	\$750,000	\$22,500	\$0	\$263,093	0.5

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, FAMILY SUPPORT SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	Reappropriated Funds	FEDERAL FUNDS	FTE
Annualize prior year budget actions	2,704	2,704	0	0	0	0.0
Staff initiated funding true-up	(285,593)	0	(22,500)	0	(263,093)	0.0
<b>TOTAL</b>	<b>\$752,704</b>	<b>\$752,704</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.5</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$282,889)</b>	<b>\$2,704</b>	<b>(\$22,500)</b>	<b>\$0</b>	<b>(\$263,093)</b>	<b>0.0</b>
Percentage Change	(27.3%)	0.4%	(100.0%)	n/a	(100.0%)	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$1,038,297</b>	<b>\$752,704</b>	<b>\$22,500</b>	<b>\$0</b>	<b>\$263,093</b>	<b>0.5</b>
Request Above/(Below) Recommendation	\$285,593	\$0	\$22,500	\$0	\$263,093	0.0

### NURSE HOME VISITOR PROGRAM

The Nurse Home Visitor Program was established by S.B. 00-071, and utilizes specially trained nurse home visitors to provide health education and counseling to low-income first time mothers beginning when the mother is pregnant and continuing through the child's second birthday. The program has served approximately 12,000 mothers and children, and is monitored by the National Center for Children, Families and Communities at the CU Health Sciences Center.

*STATUTORY AUTHORITY:* Section 26-6.4-102 et seq., C.R.S.

*REQUEST:* The Department requests an appropriation of \$21,671,938 total funds, including \$21,467,338 cash funds, \$204,600 federal funds, and 3.0 FTE.

*RECOMMENDATION:* Staff recommends an appropriation of \$23,986,737 total funds, including \$22,223,400 cash funds from the Nurse Home Visitor Program Fund, \$1,763,337 federal funds from the Maternal Infant and Early Childhood Home Visiting grant (indicated for informational purposes only), and 3.0 FTE. For FY 2018-19, the Nurse Home Visitor Program Fund consists of 26.7 percent of the total amount of moneys received by the state from Tobacco Master Settlement funds. Staff requests permission to adjust this value, if necessary, based on the updated revenue projection. The difference in the Department request and staff recommendation is discussed above in “Staff initiated funding true-up.”

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, NURSE HOME VISITOR PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2017-18 APPROPRIATION</b>						
SB 17-254 (Long Bill)	\$21,665,609	\$0	\$21,461,009	\$0	\$204,600	3.0
<b>TOTAL</b>	<b>\$21,665,609</b>	<b>\$0</b>	<b>\$21,461,009</b>	<b>\$0</b>	<b>\$204,600</b>	<b>3.0</b>
<b>FY 2018-19 RECOMMENDED APPROPRIATION</b>						
FY 2017-18 Appropriation	\$21,665,609	\$0	\$21,461,009	\$0	\$204,600	3.0
Staff initiated funding true-up	1,558,737	0	0	0	1,558,737	0.0
Tobacco master settlement adjustment	756,062	0	756,062	0	0	0.0
Annualize prior year budget actions	6,329	0	6,329	0	0	0.0
<b>TOTAL</b>	<b>\$23,986,737</b>	<b>\$0</b>	<b>\$22,223,400</b>	<b>\$0</b>	<b>\$1,763,337</b>	<b>3.0</b>

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, NURSE HOME VISITOR PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>INCREASE/(DECREASE)</b>	<b>\$2,321,128</b>	<b>\$0</b>	<b>\$762,391</b>	<b>\$0</b>	<b>\$1,558,737</b>	<b>0.0</b>
Percentage Change	10.7%	n/a	3.6%	n/a	761.8%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$21,671,938</b>	<b>\$0</b>	<b>\$21,467,338</b>	<b>\$0</b>	<b>\$204,600</b>	<b>3.0</b>
Request Above/(Below) Recommendation	(\$2,314,799)	\$0	(\$756,062)	\$0	(\$1,558,737)	0.0

### COMMUNITY-BASED CHILD ABUSE PREVENTION SERVICES

This line was established through FY 2013-14 funding requests and appropriates funding for a series of new or expanded programs focused on prevention with the intent of keeping families from entering or further penetrating the child welfare system. The programs identify families that will benefit from prevention services and connect those families to resources designed to increase their protective capacity. Because the majority of referrals to child protective services involve concerns about basic care and parental resources, these programs focus on building connections to cornerstone community services and supports. The line funds two specific programs:

- SafeCare is an in-home prevention services program for parents that includes child behavior management, planned activities training, home safety training, and child health care skills, designed to stabilize families and prevent child maltreatment. Funding is used to implement the SafeCare model at twelve specific sites throughout the state; and
- Community Response Program is designed for preventing child maltreatment and strengthening family functioning by increasing the family's protective capacities. Funding will be used to implement the program model at 18 sites throughout the state.

*STATUTORY AUTHORITY:* Section 26-5-101 et. seq., C.R.S.

*REQUEST:* The Department requests an appropriation of \$8,564,769 General Fund and 2.0 FTE.

***RECOMMENDATION:* Staff recommends an appropriation of \$8,564,769 General Fund and 2.0 FTE. Staff also recommends adding a footnote to this line that requires the pending grant funding to be realized before the new state funding can be spent on BA5. See staff write-up for "BA5 Colorado Community Response Expansion."**

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, COMMUNITY CHILD ABUSE PREVENTION SERVICES						
	TOTAL FUNDS	GENERAL FUND	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$8,444,769	\$8,444,769	\$0	\$0	\$0	2.0
<b>TOTAL</b>	<b>\$8,444,769</b>	<b>\$8,444,769</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>2.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$8,444,769	\$8,444,769	\$0	\$0	\$0	2.0
BA5 Community response expansion	120,000	120,000	0	0	0	0.0
<b>TOTAL</b>	<b>\$8,564,769</b>	<b>\$8,564,769</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>2.0</b>

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, COMMUNITY CHILD ABUSE PREVENTION SERVICES						
	TOTAL FUNDS	GENERAL FUND	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>INCREASE/(DECREASE)</b>	<b>\$120,000</b>	<b>\$120,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	1.4%	1.4%	n/a	n/a	n/a	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$8,564,769</b>	<b>\$8,564,769</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>2.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## HEALTHY STEPS FOR YOUNG CHILDREN

This line item funds the evidence-based Healthy Steps two-generation program. It is delivered through the pediatric care system to provide parent support and education, developmental screening, safe sleep practices, family protective and risk factor screening, including parental depression, domestic violence and substance abuse, and connections to needed services. It serves 1,300 families living in the highest risk counties as determined by the Early Childhood Needs Assessment. These families are low-income, and have one or more additional risk factors that could compromise the child's safety, health and well-being, or ability to reach their potential in life.

*STATUTORY AUTHORITY:* Section 26-5-101 et. seq., C.R.S.

*REQUEST:* The Department requests an appropriation of \$571,946 General Fund.

*RECOMMENDATION:* **Staff recommends an appropriation of \$571,946 General Fund.**

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, HEALTHY STEPS FOR YOUNG CHILDREN						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2017-18 APPROPRIATION</b>						
SB 17-254 (Long Bill)	\$421,360	\$421,360	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$421,360</b>	<b>\$421,360</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2018-19 RECOMMENDED APPROPRIATION</b>						
FY 2017-18 Appropriation	\$421,360	\$421,360	\$0	\$0	\$0	0.0
Annualize prior year budget actions	150,586	150,586	0	0	0	0.0
<b>TOTAL</b>	<b>\$571,946</b>	<b>\$571,946</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$150,586</b>	<b>\$150,586</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	35.7%	35.7%	n/a	n/a	n/a	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$571,946</b>	<b>\$571,946</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0



## INCREDIBLE YEARS PROGRAM

This is a new line item in the Division for the Incredible Years Program.

*STATUTORY AUTHORITY:* Section 26-1-111(2)(t), C.R.S

*REQUEST:* The Department requests an appropriation of \$642,612 Marijuana Tax Cash Fund and 1.1 FTE.

*RECOMMENDATION:* Staff recommends an appropriation of \$601,545 total funds, including \$120,309 General Fund, \$481,236 Marijuana Tax Cash Fund, and 1.1 FTE. See staff write-up for “R17 Expansion of Evidence Based Incredible Years Program.”

OFFICE OF EARLY CHILDHOOD, DIVISION OF COMMUNITY AND FAMILY SUPPORT, INCREDIBLE YEARS PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	0	0	0	0	0	0.0
R17 Expansion of evidence based Incredible Years Program	601,545	120,309	481,236	0	0	1.1
<b>TOTAL</b>	<b>\$601,545</b>	<b>\$120,309</b>	<b>\$481,236</b>	<b>\$0</b>	<b>\$0</b>	<b>1.1</b>
<b>Increase/(Decrease)</b>	\$601,545	\$120,309	\$481,236	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$642,612</b>	<b>\$0</b>	<b>\$642,612</b>	<b>\$0</b>	<b>\$0</b>	<b>1.1</b>
Request Above/(Below) Recommendation	\$23,067	(\$120,309)	\$143,376	0	0	0.0

## (C) Indirect Cost Assessment

### INDIRECT COST ASSESSMENT

This line item funds the indirect costs associated with the operation of the Department.

*REQUEST:* The Department requests an appropriation of \$5,152,744 total funds, including \$2,275,945 cash funds, \$38,697 reappropriated funds, and \$2,838,102 federal funds.

*RECOMMENDATION:* **Staff recommendation is pending Committee action on outstanding centrally appropriated line items and indirect costs. Staff requests permission to adjust the line based on final Committee action.**

OFFICE OF EARLY CHILDHOOD, INDIRECT COST ASSESSMENT, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 APPROPRIATION						
SB 17-254 (Long Bill)	\$5,100,127	\$0	\$2,252,702	\$40,923	\$2,806,502	0.0
HB 18-1162 (Supplemental)	(1,689,917)	0	(1,730,624)	(40,923)	81,630	0.0
<b>TOTAL</b>	<b>\$3,410,210</b>	<b>\$0</b>	<b>\$522,078</b>	<b>\$0</b>	<b>\$2,888,132</b>	<b>0.0</b>
FY 2018-19 RECOMMENDED APPROPRIATION						
FY 2017-18 Appropriation	\$3,410,210	\$0	\$522,078	\$0	\$2,888,132	0.0
Non-prioritized request items	70,608	0	31,189	565	38,854	0.0
Centrally appropriated line items	2,780	0	1,228	22	1,530	0.0
Annualize prior year budget actions	(15,892)	0	(7,019)	(128)	(8,745)	0.0
R23 HIPAA security remediation	(4,879)	0	(2,155)	(2,685)	(39)	0.0
<b>TOTAL</b>	<b>\$3,462,827</b>	<b>\$0</b>	<b>\$545,321</b>	<b>(\$2,226)</b>	<b>\$2,919,732</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$52,617</b>	<b>\$0</b>	<b>\$23,243</b>	<b>(\$2,226)</b>	<b>\$31,600</b>	<b>0.0</b>
Percentage Change	1.5%	n/a	4.5%	0.0%	1.1%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>	<b>\$5,152,744</b>	<b>\$0</b>	<b>\$2,275,945</b>	<b>\$38,697</b>	<b>\$2,838,102</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$1,689,917	\$0	\$1,730,624	\$40,923	(\$81,630)	0.0

## HCPF (7) DEPARTMENT OF HUMAN SERVICES MEDICAID FUNDED PROGRAMS

This division reflects the amount of Medicaid funds appropriated for programs administered by the Department of Human Services within the Divisions covered in this document.

### DECISION ITEMS – HCPF, DIVISION 7

#### → NPBA5 DHS EARLY INTERVENTION

**REQUEST:** The Department requests an increase of \$1,246,109 total funds, including \$623,055 Medicaid General Fund and \$623,054 Medicaid federal funds for early intervention services.

**RECOMMENDATION:** Staff recommends an increase of \$1,246,109 total funds, including \$623,055 Medicaid General Fund and \$623,054 Medicaid federal funds for early intervention services.

### LINE ITEM DETAIL – DEPARTMENT OF HUMAN SERVICES MEDICAID FUNDED PROGRAMS

#### (E) OFFICE OF EARLY CHILDHOOD - MEDICAID FUNDING

##### DIVISION OF COMMUNITY AND FAMILY SUPPORT, EARLY INTERVENTION SERVICES

This line item reflects the amount of Medicaid funds appropriated for the case management of early intervention services. These funds are reflected as *reappropriated funds* in the Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Early Intervention Services Case Management line item.

**STATUTORY AUTHORITY:** Section 27-10.5-706 through 27-10.5-707, C.R.S.

**REQUEST:** The Department requests an appropriation of \$7,968,022 total funds, including \$3,984,012 Medicaid General Fund and \$3,984,010 Medicaid federal funds.

**RECOMMENDATION:** Staff recommends an appropriation of \$8,486,066 total funds, including \$4,243,034 Medicaid General Fund and \$4,243,032 Medicaid federal funds. The difference between the Department request and Staff recommendation in the annualization of FY 2017-18 supplementals for this division. Staff requests permission to adjust this line item based on the Committees decision on “R24 Provider rate increase” decision item component.

**DEPARTMENT OF HUMAN SERVICES MEDICAID-FUNDED PROGRAMS, OFFICE OF EARLY CHILDHOOD -  
MEDICAID FUNDING, DIVISION OF COMMUNITY AND FAMILY SUPPORT, EARLY INTERVENTION SERVICES**

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2017-18 APPROPRIATION</b>						
SB 17-254 (Long Bill)	\$6,655,359	\$3,327,680	\$0	\$0	\$3,327,679	0.0
HB 18-1161 (Supplemental Bill)	\$518,044	\$259,022	\$0	\$0	\$259,022	0.0
<b>TOTAL</b>	<b>\$7,173,403</b>	<b>\$3,586,702</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,586,701</b>	<b>0.0</b>
<b>FY 2018-19 RECOMMENDED APPROPRIATION</b>						
FY 2017-18 Appropriation	\$7,173,403	\$3,586,702	\$0	\$0	\$3,586,701	0.0
Human Services programs	1,246,109	623,055	0	0	623,054	0.0
R9 Provider rates	66,554	33,277	0	0	33,277	0.0
<b>TOTAL</b>	<b>\$8,486,066</b>	<b>\$4,243,034</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,243,032</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,312,663</b>	<b>\$656,332</b>	<b>\$0</b>	<b>\$0</b>	<b>\$656,331</b>	<b>0.0</b>
Percentage Change	18.3%	18.3%	n/a	n/a	18.3%	0.0%
<b>FY 2018-19 EXECUTIVE REQUEST</b>						
Request Above/(Below)						
Recommendation	(\$518,044)	(\$259,022)	\$0	\$0	(\$259,022)	0.0

## LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

### LONG BILL FOOTNOTES

The following footnotes are currently in the Department of Human Services Long Bill section.

- N Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Early Childhood Mental Health Services – It is the intent of the General Assembly that this appropriation be used for the purpose of supporting early childhood mental health specialists in each community mental health center.

The following footnotes are new to the Department of Human Services Long Bill section.

- N Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Community Based Child Abuse Prevention Services – The appropriation assumes the Department will receive grant funding from a Foundation. It is the intent of the General Assembly that \$120,000 General Fund only be used if the grant is received from the foundation for the Community Response Expansion.

### REQUESTS FOR INFORMATION

Staff recommends **CONTINUING** the following request for information:

- N Department of Human Services, Totals – The Department is requested to submit annually, on or before November 1, a report to the Joint Budget Committee concerning federal Child Care Development Funds. The requested report should include the following information related to these funds for the actual, estimate, and request years: (a) the total amount of federal funds available and anticipated to be available to Colorado, including funds rolled forward from previous state fiscal years; (b) the amount of federal funds expended, estimated, or requested to be expended for these years by Long Bill line item; (c) the amount of funds expended, estimated, or requested to be expended for these years, by Long Bill line item where applicable, to be reported to the federal government as either maintenance of effort or matching funds associated with the expenditure of federal funds; and (d) the amount of funds expended, estimated, or requested to be expended for these years that are to be used to meet the four percent federal requirement related to quality activities and the federal requirement related to targeted funds. An update to the information on the amount of federal funds anticipated to be available and requested to be expended by Long Bill line item should be provided to the Joint Budget Committee annually on or before January 15.

Staff recommends **ADDING** the following request for information:

- N Department of Human Services, Office of Early Childhood, Early Intervention Services – The Department is requested to submit annually, on or before January 1, a report to the

Joint Budget Committee concerning caseload growth for early intervention services. The requested report should include the following information: (a) the total number of early intervention services performed compared to the projected amount of early intervention services; (b) the amount of funds expended in the fiscal year from July 1 through the time period when the report is created compared to the projected spending; and (c) the amount of any expected gaps between the appropriation in the long bill and actual expenditures.

- N Department of Human Services, Office of Early Childhood, Child Care Assistance Program – The Department is requested to submit annually, on or before January 1, a report to the Joint Budget Committee concerning costs for the Colorado Child Care Assistance Program. The requested report should include the following information: (a) the changes in direct services costs from the prior year due to inflation; (b) changes in direct services costs from the prior year due to quality; and (c) changes in cost due to changes to continuity from the previous year.
- N Department of Human Services, Department of Education – The Departments are requested to submit on or before November 1, 2018 a report to the Joint Budget Committee concerning the agreement between the two Departments on the Part C Child Find program including: the process used, the outcomes of the process, the Department’s interpretation on how the process progressed, and the anticipated outcome of the process.
- N Department of Human Services, Department of Education – The Departments are requested to submit on or before June 1, 2018 a report to the Joint Budget Committee concerning the breakdown of the costs of Part C Child Find evaluations, including the cost per evaluator, cost per evaluation, cost per geographic area, and cost by expertise for each evaluation.

## INDIRECT COST ASSESSMENTS

### DESCRIPTION OF INDIRECT COST ASSESSMENT METHODOLOGY

The Department's methodology for allocating indirect costs is based on a detail cost allocation plan that is submitted and approved by the federal government, which most reasonably approximates the pro-rata share of Divisions and programs for the shared costs of administrative oversight and central services. Importantly, JBC staff may exercise its ability to ensure that appropriations match actual expense, which helps to keep the methodology accurate even as staffing patterns change over time. Further, an important part of the methodology is that recoverable costs from federal grants are applied first, so that agency indirects are calculated to include only indirect costs for which they will be actually billed. Alternative methodologies (for instance using other bases such as total expenses, personal services expenses, or actual time tracking) are thought to either be less accurate, too labor-intensive, or virtually the same in terms of accuracy.

*JBC Staff Staff Figure Setting - FY 2018-19*  
*Staff Working Document - Does Not Represent Committee Decision*

## Appendix A: Number Pages

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Appropriation	FY 2018-19 Request	FY 2018-19 Recommendation
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**DEPARTMENT OF HUMAN SERVICES**  
**Reggie Bicha, Executive Director**

### (6) OFFICE OF EARLY CHILDHOOD

This office provides funding and state staff associated with the state supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP); for the administration of various child care grant programs; and for licensing and monitoring of child care facilities. In addition, this office provides funding to organizations that provide early childhood mental health services and early intervention services and case management. Cash funds appropriations reflect expenditures by counties, fees and fines associated with the licensing of child care facilities, and funds from the Early Intervention Services Trust Fund. Federal funds reflect moneys from Child Care Development Funds, which the General Assembly has authority to appropriate pursuant to federal law; and funds received from Part C of the federal Individuals with Disabilities Education Improvement Act. Reappropriated funds are Medicaid funds transferred from the Department of Health Care Policy and Financing.

#### (A) Division of Early Care and Learning

Early Childhood Councils	<u>0</u>	<u>0</u>	<u>1,984,169</u>	<u>1,984,169</u>	<u>1,984,169</u>
FTE	0.0	0.0	1.0	1.0	1.0
Federal Funds	0	0	1,984,169	1,984,169	1,984,169
Child Care Licensing and Administration	<u>6,904,564</u>	<u>6,927,737</u>	<u>8,938,106</u>	<u>9,104,027</u>	<u>9,104,027</u> *
FTE	59.9	52.8	54.0	54.0	54.0
General Fund	2,450,780	2,231,187	2,478,438	2,529,873	2,529,873
Cash Funds	684,720	522,011	858,526	876,778	876,778
Federal Funds	3,769,064	4,174,539	5,601,142	5,697,376	5,697,376
Fine Assessed Against Licenses	<u>4,067</u>	<u>84</u>	<u>20,000</u>	<u>20,000</u>	<u>10,000</u>
Cash Funds	4,067	84	20,000	20,000	10,000

\*Line item contains a decision item.



*JBC Staff Staff Figure Setting - FY 2018-19*  
*Staff Working Document - Does Not Represent Committee Decision*

	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Actual</b>	<b>FY 2017-18 Appropriation</b>	<b>FY 2018-19 Request</b>	<b>FY 2018-19 Recommendation</b>
Child Care Assistance Program	<u>86,167,062</u>	<u>91,187,197</u>	<u>99,397,947</u>	<u>103,491,873</u>	<u>112,569,426</u> *
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	21,931,865	24,456,347	24,791,827	25,039,745	29,039,745
Cash Funds	8,946,610	9,762,470	11,399,322	12,998,315	11,498,315
Federal Funds	55,288,587	56,968,380	63,206,798	65,453,813	72,031,366
Intrastate CCCAP Redistribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,000,000</u>
Federal Funds	0	0	0	0	2,000,000
Colorado Child Care Assistance Cliff Effect Pilot Program	<u>274,941</u>	<u>690,860</u>	<u>1,269,453</u>	<u>1,270,991</u>	<u>0</u>
FTE	0.2	1.0	1.0	1.0	0.0
General Fund	51,105	53,609	69,453	70,991	0
Cash Funds	223,836	637,251	1,200,000	1,200,000	0
Colorado Child Care Assistance Program Market Rate Study	<u>0</u>	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>75,000</u>
General Fund	0	55,000	55,000	55,000	55,000
Federal Funds	0	0	0	0	20,000
Child Care Grants for Quality and Availability and Federal Targeted Funds Requirements	<u>8,230,380</u>	<u>8,022,404</u>	<u>8,671,947</u>	<u>8,675,681</u>	<u>8,236,186</u>
FTE	1.2	1.0	1.0	1.0	1.0
General Fund	4,756,773	4,738,288	4,758,371	4,760,424	4,760,424
Cash Funds	0	0	439,495	439,682	187
Federal Funds	3,473,607	3,284,116	3,474,081	3,475,575	3,475,575

\*Line item contains a decision item.

*JBC Staff Staff Figure Setting - FY 2018-19*  
*Staff Working Document - Does Not Represent Committee Decision*

	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Actual</b>	<b>FY 2017-18 Appropriation</b>	<b>FY 2018-19 Request</b>	<b>FY 2018-19 Recommendation</b>
School-readiness Quality Improvement Program	<u>2,228,586</u>	<u>2,198,393</u>	<u>2,229,652</u>	<u>2,230,952</u>	<u>2,230,952</u>
FTE	0.2	1.0	1.0	1.0	1.0
Federal Funds	2,228,586	2,198,393	2,229,652	2,230,952	2,230,952
Early Literacy Book Distribution Partnership	<u>99,609</u>	<u>99,982</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
General Fund	99,609	99,982	100,000	100,000	100,000
Micro Grants to Increase Access to Child Care	<u>0</u>	<u>149,018</u>	<u>0</u>	<u>0</u>	<u>0</u> *
Federal Funds	0	149,018	0	0	0
Continuation of Child Care Quality Initiatives	<u>0</u>	<u>816,462</u>	<u>2,862,512</u>	<u>2,862,512</u>	<u>2,862,512</u>
FTE	0.0	7.3	14.6	14.6	14.6
Federal Funds	0	816,462	2,862,512	2,862,512	2,862,512
Child Care Assistance Program Support	<u>0</u>	<u>0</u>	<u>1,200,000</u>	<u>1,049,500</u>	<u>1,049,500</u> *
Federal Funds	0	0	1,200,000	1,049,500	1,049,500
Early Childhood Workforce Supports	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,000,000</u>	<u>500,000</u> *
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	1,000,000	500,000
Promoting Safe and Stable Families Program	<u>4,158,774</u>	<u>3,716,460</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.7	2.0	0.0	0.0	0.0
General Fund	54,882	54,216	0	0	0
Cash Funds	1,064,160	1,064,934	0	0	0
Federal Funds	3,039,732	2,597,310	0	0	0
Micro Loans to Increase Access to Child Care	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Federal Funds	0	0	0	0	0

\*Line item contains a decision item.

*JBC Staff Staff Figure Setting - FY 2018-19*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Appropriation	FY 2018-19 Request	FY 2018-19 Recommendation
<b>SUBTOTAL - (A) Division of Early Care and Learning</b>	108,067,983	113,863,597	126,728,786	131,844,705	140,721,772
FTE	<u>63.2</u>	<u>65.1</u>	<u>72.6</u>	<u>72.6</u>	<u>71.6</u>
General Fund	29,345,014	31,688,629	32,253,089	33,556,033	36,985,042
Cash Funds	10,923,393	11,986,750	13,917,343	15,534,775	12,385,280
Federal Funds	67,799,576	70,188,218	80,558,354	82,753,897	91,351,450

**(B) Division of Community and Family Support**

Promoting Safe and Stable Families	<u>0</u>	<u>0</u>	<u>4,215,147</u>	<u>4,227,732</u>	<u>4,606,005</u>
FTE	0.0	0.0	2.0	2.0	2.0
General Fund	0	0	54,882	55,134	55,134
Cash Funds	0	0	1,064,934	1,068,080	1,068,080
Federal Funds	0	0	3,095,331	3,104,518	3,482,791
Early Childhood Mental Health Services	<u>1,261,867</u>	<u>2,203,628</u>	<u>2,987,632</u>	<u>3,024,749</u>	<u>3,024,749</u> *
FTE	1.3	0.7	0.7	0.7	0.7
General Fund	1,224,840	1,207,015	1,260,317	1,275,961	1,275,961
Federal Funds	37,027	996,613	1,727,315	1,748,788	1,748,788
Early Intervention Services	<u>38,938,854</u>	<u>43,825,823</u>	<u>48,123,119</u>	<u>47,583,135</u>	<u>62,244,583</u> *
FTE	10.0	6.5	7.5	6.5	7.5
General Fund	21,507,697	23,304,162	27,156,393	26,389,642	36,496,578
Cash Funds	10,125,995	12,518,502	12,693,988	12,820,928	10,500,000
Reappropriated Funds	0	0	0	0	7,968,022
Federal Funds	7,305,162	8,003,159	8,272,738	8,372,565	7,279,983

\*Line item contains a decision item.

*JBC Staff Staff Figure Setting - FY 2018-19*  
*Staff Working Document - Does Not Represent Committee Decision*

	<b>FY 2015-16 Actual</b>	<b>FY 2016-17 Actual</b>	<b>FY 2017-18 Appropriation</b>	<b>FY 2018-19 Request</b>	<b>FY 2018-19 Recommendation</b>
Early Intervention Services Case Management	<u>7,616,227</u>	<u>7,960,959</u>	<u>13,232,444</u>	<u>13,212,458</u>	<u>0</u> *
General Fund	3,998,538	4,421,631	6,059,041	5,762,480	0
Reappropriated Funds	3,617,689	3,539,328	7,173,403	7,449,978	0
Early Intervention Evaluations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,700,000</u>
General Fund	0	0	0	0	2,500,000
Federal Funds	0	0	0	0	200,000
Colorado Children's Trust Fund	<u>765,681</u>	<u>494,225</u>	<u>1,100,739</u>	<u>1,105,703</u>	<u>1,155,000</u>
FTE	1.1	1.5	1.5	1.5	1.5
Cash Funds	275,839	141,329	457,139	462,103	350,000
Federal Funds	489,842	352,896	643,600	643,600	805,000
Nurse Home Visitor Program	<u>17,971,068</u>	<u>23,550,952</u>	<u>21,665,609</u>	<u>21,671,938</u>	<u>23,986,737</u>
FTE	2.1	3.0	3.0	3.0	3.0
Cash Funds	15,708,114	23,346,352	21,461,009	21,467,338	22,223,400
Federal Funds	2,262,954	204,600	204,600	204,600	1,763,337
Family Support Services	<u>998,478</u>	<u>972,386</u>	<u>1,035,593</u>	<u>1,038,297</u>	<u>752,704</u>
FTE	0.4	0.5	0.5	0.5	0.5
General Fund	735,385	709,293	750,000	752,704	752,704
Cash Funds	0	0	22,500	22,500	0
Federal Funds	263,093	263,093	263,093	263,093	0
Community Child Abuse Prevention Services	<u>0</u>	<u>0</u>	<u>8,444,769</u>	<u>8,564,769</u>	<u>8,564,769</u> *
FTE	0.0	0.0	2.0	2.0	2.0
General Fund	0	0	8,444,769	8,564,769	8,564,769

\*Line item contains a decision item.

*JBC Staff Staff Figure Setting - FY 2018-19*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Appropriation	FY 2018-19 Request	FY 2018-19 Recommendation
Healthy Steps for Young Children	<u>0</u>	<u>0</u>	<u>421,360</u>	<u>571,946</u>	<u>571,946</u>
General Fund	0	0	421,360	571,946	571,946
Incredible Years Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>624,612</u>	<u>601,545</u> *
FTE	0.0	0.0	0.0	1.1	1.1
General Fund	0	0	0	0	120,309
Cash Funds	0	0	0	624,612	481,236
Early Childhood Councils	<u>1,981,534</u>	<u>1,964,079</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.3	1.0	0.0	0.0	0.0
Federal Funds	1,981,534	1,964,079	0	0	0
<b>SUBTOTAL - (B) Division of Community and Family Support</b>	69,533,709	80,972,052	101,226,412	101,625,339	108,208,038
FTE	<u>15.2</u>	<u>13.2</u>	<u>17.2</u>	<u>17.3</u>	<u>18.3</u>
General Fund	27,466,460	29,642,101	44,146,762	43,372,636	50,337,401
Cash Funds	26,109,948	36,006,183	35,699,570	36,465,561	34,622,716
Reappropriated Funds	3,617,689	3,539,328	7,173,403	7,449,978	7,968,022
Federal Funds	12,339,612	11,784,440	14,206,677	14,337,164	15,279,899

**(C) Indirect Cost Assessment**

Indirect Cost Assessment	<u>0</u>	<u>3,410,210</u>	<u>5,152,744</u>	<u>3,462,827</u>	*
General Fund	0	0	0	0	
Cash Funds	0	522,078	2,275,945	545,321	
Reappropriated Funds	0	0	38,697	(2,226)	
Federal Funds	0	2,888,132	2,838,102	2,919,732	

\*Line item contains a decision item.

*JBC Staff Staff Figure Setting - FY 2018-19*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Appropriation	FY 2018-19 Request	FY 2018-19 Recommendation
<b>SUBTOTAL - (C) Indirect Cost Assessment</b>	0	3,410,210	5,152,744	3,462,827	
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	
General Fund	0	0	0	0	
Cash Funds	0	522,078	2,275,945	545,321	
Reappropriated Funds	0	0	38,697	(2,226)	
Federal Funds	0	2,888,132	2,838,102	2,919,732	
<b>TOTAL - (6) Office of Early Childhood</b>	177,601,692	194,835,649	231,365,408	238,622,788	252,392,637
<i>FTE</i>	<u>78.4</u>	<u>78.3</u>	<u>89.8</u>	<u>89.9</u>	<u>89.9</u>
General Fund	56,811,474	61,330,730	76,399,851	76,928,669	87,322,443
Cash Funds	37,033,341	47,992,933	50,138,991	54,276,281	47,553,317
Reappropriated Funds	3,617,689	3,539,328	7,173,403	7,488,675	7,965,796
Federal Funds	80,139,188	81,972,658	97,653,163	99,929,163	109,551,081
<b>TOTAL - Department of Human Services</b>	177,601,692	194,835,649	231,365,408	238,622,788	252,392,637
<i>FTE</i>	<u>78.4</u>	<u>78.3</u>	<u>89.8</u>	<u>89.9</u>	<u>89.9</u>
General Fund	56,811,474	61,330,730	76,399,851	76,928,669	87,322,443
Cash Funds	37,033,341	47,992,933	50,138,991	54,276,281	47,553,317
Reappropriated Funds	3,617,689	3,539,328	7,173,403	7,488,675	7,965,796
Federal Funds	80,139,188	81,972,658	97,653,163	99,929,163	109,551,081



# **JBC Staff FY 2018-19 Figure Setting Department of Human Services**

**(Executive Director's Office 1 Line Item and  
Office of Early Childhood)**

**Presented by:  
Vance Roper, JBC Staff  
March 7, 2018**

# Overview

## Staff Recommendation

\$250.4 million total funds  
\$87.3 million General Fund  
89.9 FTE

## Department Request

\$238.6 million total funds  
\$76.9 million General Fund  
89.9 FTE

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2 Staff-initiated Changes

8 Department Requested Changes

↓ ↓

## 10 Department and Staff Decision Items

(includes decision items, budget amendments, and staff-initiated changes)



# (1) Executive Director's Office (p.5)

(1 line item only)

## Change Requests

None

## Line Items, Base Appropriations, and Other Changes

□ (1) Executive Director's Office (p.5-6)

## (6) Office of Early Childhood (p.7)

### Change Requests

- ☐ R17 Expansion of evidence based incredible years program (p.7)
- ☐ R22 Reduce micro grants to increase access to childcare (p.12)
- ☐ R24 DHS 1% provider rate increase (p.13)
- ☐ BA2 Early intervention caseload increase (p. 13)
- ☐ BA3 Mitigation of CCCAP waitlists (p. 14)
- ☐ BA5 Colorado community response expansion (p. 18)
- ☐ BA6 Support Colorado's early childhood workforce (p. 21)
- ☐ Staff initiated transfer of part c child find (p. 22)
- ☐ Continued on next slide

## (2) Office of Early Childhood (p.7)

### Change Requests

- ☐ Staff initiated funding true-up (p. 26)
- ☐ NPBA5 DHS early intervention (p. 48)

### Line Items, Base Appropriations, and Other Changes

- ☐ (2) Office of Early Childhood (p.7-50)

## CCCAP Parity at 185% FPL

**Non-CCCAP Participation** 43,299 children (31.1% participation)

**Minus**

**CCCAP Participation** 30,328 children (21.8% participation)

**Equals**

**Difference** 12,971 children (9.3% participation)

## CCCAP Parity at 185% FPL

Cost per percentage \$4.45 million

Times

Percentage Gap of Populations 9.3 percent

Equals

Total Cost to fully fund program \$41.4 Million

# Quality Cost

If new annual cost of program is \$5 million

Minus

If current annual cost of program is \$4.4 million

Equals

Total annual cost of quality,  
inflation, and changes to continuity \$600,000

## Necessary Child Find Contract Components

1. Establishment of clear lines of responsibility and accountability via contracts and interagency agreements;
2. Necessary reporting requirements and report sharing requirements;
3. Funding splits between the Departments;
4. Outlines of agreements between the local entities in the Child Find process;
5. Monitoring of program compliance and agreement compliance;
6. Evaluation timeline requirements;
7. Evaluation tools;
8. Evaluation location with a pilot on in-home evaluations;



## Necessary Child Find Contract Components

9. Ensuring minimal disruption to families;
10. Require data collection from LEAs and CCBs regarding actual costs associated with Part C evaluations; and
11. Transition for Part C services in DHS to Part B services in CDE and timelines for this transition.



## Transition Timeline

- Upon effective date of legislation – DHS and CDE meet regularly to establish an agreement;
- By October 1, 2018 – Agreement entered into by DHS and CDE;
- By November 1, 2018 – CDE, DHS, and JBC Staff report to the Joint Budget Committee on the process for the agreement and the results of process; and
- By June 30, 2019 – All contracts at the local level are in place and functioning.

# Long Bill Footnotes and RFIs (p.51)

## Long Bill Footnotes

- 2 Recommendations (p.51)

## Requests for Information

- 5 Recommendations (p.51)